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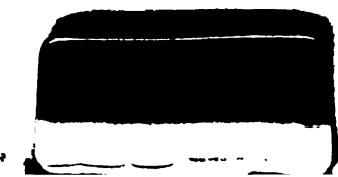
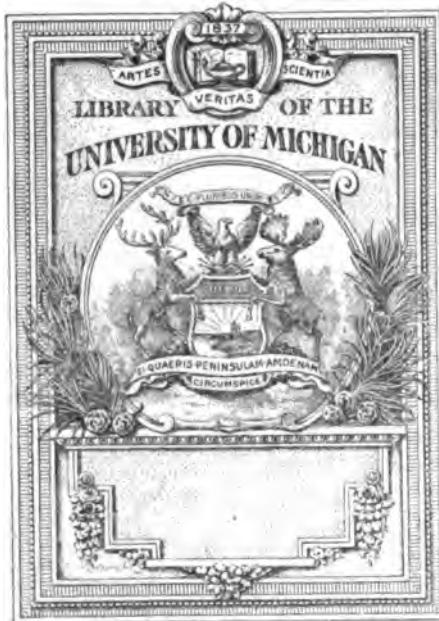
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VOLUME XII

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CO-OPERATION IN ITALY.

THERE is not, at the present moment, a country more full of interest from a co-operative point of view than Italy. A great change is there in progress which promises not only to extend co-operation over much new ground, but to make it far more democratic and more beneficial to the working classes alike in town and in country than it has ever been before. This transformation, or rather extension, has been apparent for some time back. Labour societies have been forming in earnest for well-nigh ten years, and the working classes have shown a greatly awakened interest in the movement. The Church of Rome, stimulated by a special brief from the Pope, has been active beyond anything that our slower-going clergy are likely to conceive as possible, and has raised up, for the benefit of the poor cultivators, more than a thousand village banks, apart from other societies equally useful.

The democratic movement received a rude check in 1898, when, scenting "socialism" in every democratic opinion, the Government sent General Bava and his battalions to stamp out the supposed heresy by "methods of barbarism" recalling the French *dragonnades*. Cruel work was done then. Co-operative societies were closed wholesale by policemen. Their property was confiscated. Their members were court-martialled, sent to prison, condemned to the *domicilio coatto*, or made to fly the country—all because one or other of the managing committee was suspected of being a "socialist." Such action was foolish, anti-patriotic, and absolutely illegal. Courts of law have formally declared it to have been so, and present Ministers have demonstrated, amid the applause of the Chamber, that the co-operators, however genuinely "socialist" they may have been in their

opinions, were right in their action, and that the Government was wrong. So far, then, the democratic co-operators have in the end carried the day; but co-operation has first suffered severely. A few months ago, on travelling through Italy, I could scarcely trust my eyes when visiting such places as Cremona. Not many years before I had there seen a whole cluster of inoffensive co-operative societies actively engaged in teaching grown men the rudiments of school-learning (which the Government had withheld from them), in enabling ordinary navvies to earn a little more by the elimination of the middleman (who is very grasping in Italy), or working as hatters, potters, and so forth. It was all very humble and very unpretentious. But elsewhere—at Ravenna, Budrio, Modena, and Milan—similar humble beginnings had already grown into something far more presentable, and the societies formed in weakness had become strong. They were doing excellent work in improving the lot of the poor—providing habitable homes for those who had previously littered on straw, stilling the *cronica fame*, and stopping the wholesale employment of child labour at miserable wages in the rice-fields, where children were kept at work up to the waist in water, exposed to the scorching rays of the summer sun, five or six miles away from the nearest habitable country, where they had fixed their homes. Since then, however, the besom of persecution had passed over the country and swept it almost bare. Some of the societies that have survived are now all the stronger for the trial. And, generally, the spirit of determination which Count Rudini's persecution and MM. Zanardelli's and Giolitti's vindication have infused into the whole body of democratic co-operators promises a more assured success in the future. But for the moment there are many gaps.

Italian statistics are generally backward, and, indeed, are so backward with respect to co-operative societies as to be of very little value. Accordingly the Co-operative Congress held at Reggio a few months ago decided amid general consent to appoint its own special committee for statistical purposes. That will give us a better record. Meanwhile, to consult statistical

tables cannot give anything like an adequate idea of what co-operation is really doing. Moreover, to confine one's view to the more familiar forms of co-operation only (a mistake likely to suggest itself in England) is bound to result in a seriously incomplete, if not an absolutely false, picture of Italian co-operation. Those older forms are still pursuing their course of growth and success, which is very marked in certain directions; but they have for the time been left behind in the race. They find themselves out of sympathy with the main current. As they declined to recognize the more democratic societies, composed almost entirely of working men, when such societies were feeble, so the latter now are more or less indifferent to the attitude of the *borghese* institutions, though they do not wholly turn their backs upon them.

At the recent Congress at Reggio, convened by the *Lega Nazionale*, no People's Bank was represented, and only few of the better known *borghese* supply societies. In 1895, when the banks convened the Congress, at Bologna, none of the democratic co-operators put in an appearance. None had been asked.

These divisions are a very unsatisfactory feature in Italian co-operation. But they are distinctly characteristic of the present period. There are the People's Banks, on the one side, with the old successful *borghese* supply societies, which have scarcely any working men for members, very respectable, in many cases very prosperous, and demonstratively averse to anything that may be construed as political, let alone socialist. These hold themselves aloof. On the other side are the democratic working men's societies, which accuse the *borghese* societies, in some cases not without justice, of having become untrue to the co-operative principle, and allow themselves readily to be dubbed "socialist," though in truth only very few among their members quite understood what socialism means. Their leaders allege themselves to be socialists, and the followers appear to hold that to be discontented under neglect, and critical with regard to the Government and the Legislature, must mean to be a socialist. Quite apart from these two connexions stand the "Catholic" diocesan unions, very powerful and very active—

nominally, but only nominally united ; practising thus far nothing but perfectly legitimate co-operation for perfectly legitimate purposes ; exacting from their members (in a country where all are Romanists) no test except that they should be *cattolici praticanti*, but suspected by both other sections of pursuing political aims. In 1894 and 1895, I tried to make peace at any rate between the "Catholics" and the *borghesi*, and I hoped that I had attained my object when I had succeeded in seating M. Luzzatti, as a *borghese*, and Dom Cerutti, as a "Catholic," together at the same table (M. Luzzatti's) at Padua, at a friendly lunch. All seemed promising. But before the year was out the "Catholics" were calling the *borghesi* "Belial," and the *borghesi* were retaliating in the same pleasant way.

As a fourth section, in close touch with the *borghesi*, and, in fact, presided over by the same distinguished men, I ought to mention the agricultural syndicates and the co-operative societies attached to them. These are extending their operations apace. Their tendency, unfortunately, is towards agrarianism, and they by no means cover the whole ground of agriculture, leaving a good deal to be occupied by their democratic rivals. The agriculture of the *small man* has become the favourite hunting-ground, first of the "Catholic," and afterwards, in not altogether friendly rivalry, of the so-called "socialist." Both these classes of propagandists stoop considerably lower in the social scale in their choice of persons to benefit than the agricultural syndicates. Wherever the "socialist" goes, being at present the most active, thither the "Catholic" follows, trying to "head" his rival off, and block his way with his own co-operation. Whatever may be the inconveniences of this competition, the message of co-operation is thereby carried far and wide to the poor.

To take the *borghese* societies first, the People's Banks (among which I do not now include the Village Banks) continue prosperous on the whole, but without any material fluctuations as to number, or other fluctuation as to business than is brought about by the periodical ebb and flow of ordinary trade, which affects all banking institutions alike. Mainly in response to M. Luzzatti's vigorous initiative, increased attention is now being paid to credit

for agriculture. New facilities are being provided. To state one instance, the excellent People's Bank of Cremona has set apart 50,000 lire for special agricultural credit, to be granted in current account, which system, as the managing director assures me, works well. The banks still do a great deal of good, and furnish credit for many small folk who, without them, would have to go without. Good, active banks, like those of Bologna, Bergamo and Cremona, have furnished money for building working men's dwellings. But many, many have become strongly tainted with the joint-stock spirit, which is, of course, the besetting danger for these limited liability co-operative institutions dealing in money. One of our best co-operators, at the head of a genuine People's Bank, who is of opinion that the true co-operative spirit is to be retained in a bank only by unlimited liability, will have it that you may now count the genuine co-operative banks in Italy on the fingers of your two hands. That is an exaggeration. But it certainly is true that a considerable number of People's Banks have become strongly capitalist, looking mainly to "business" and "profits." As M. Luzzatti said on a previous occasion, "Elles ont trop réussi." At their first starting it was not considered necessary to limit the allowable rate of dividend, and accordingly many now study dividend to excess. They ought, of course, to have adopted the *ristourne*, which is in banking what "dividend" is in supply, a return out of profits to custom. But they have advisedly rejected this. And accordingly all profit goes to capital, and shares are quoted at a premium, and even dealt in on the Stock Exchange. It is not correct, as I have seen it stated, that they, as a class, assist struggling democratic labour and productive societies. The statement to this effect in the Official Report is misleading, as the small amount named shows. There are some that do, and that do very much more. But the difference between good and bad is very striking. How little the banks, as a class, are able to trust even one another will appear from the fact that the proposal to create a central bank has been steadily rejected to the present day, mainly because the good banks fear that it might prove impossible to keep representatives of the bad ones off the Board,

who would vote themselves loans unfairly, and there would otherwise be insufficient security for sound management.

The supply societies have made exceedingly satisfactory progress. Visitors from England, as a rule, look only at the large societies of which the world has heard, like the *Unione Cooperativa*, or the *Unione Militare*, which certainly are well worth studying. However there are smaller societies quite as deserving of consideration. The *Unione Cooperativa* of Milan, which is generally, and with good reason, looked upon as the premier institution of its kind in its own country, has recently given fresh proof of its growing strength and its unabated co-operative spirit, by the magnificent new storehouse which it is setting up outside the city walls, and, furthermore, by the construction of the first Italian "Rowton House," a huge caravanserai for working folk, with 530 bedrooms, and everything of the most faultless make and perfect pattern, fully up to date, clean, spacious, and nice, which has delighted the English visitors whom I have sent to see it. The new building of the *Unione*, outside the walls, is estimated to cost 600,000 lire. One of its main features is the cellarage for the large and ever-growing trade in wine, which forms the backbone, both in Italy and in Switzerland, of co-operative supply business. The new vaults will hold 40,000 hectolitres of wine. A novel feature introduced here and elsewhere in Italy is gigantic vats constructed of bricks and cement, and glazed on the inner surface. The *Unione* is putting up such to hold from 70,000 to 120,000 litres apiece. The wine to be sold on draught is said to keep much better in these reservoirs than in wood, and for blending purposes, in respect of inferior wine, such receptacles are invaluable, producing a more uniform product, owing to their size. Lack of venturesome spirit is certainly not one of the *Unione's* characteristics. Eager for business, it has recently pushed its enterprise so far as to establish a branch for the sale of Italian wines and other Italian produce in one of the main streets of Berlin. It is rather a problem what such an undertaking can have to do with "co-operation." It is not succeeding over well, and I shall not be surprised to see it abandoned. The *Albergo*

Popolare, on the other hand, the "Rowton House," just spoken of, is a brilliant testimony to the co-operative spirit which still pervades this eminently *borghese* institution. That imposing establishment really deserves an article to itself. Nevertheless, with all its laudable efforts for the benefit of the working classes, and all its strenuous attempts to attract them into its midst, the *Unione* has fallen a little out of line with the bulk of democratic associations. It has ceased to be a member of the *Lega*, on account of an unreasonable fear that the "socialists" may drag it into politics. I have never known people so nervous about politics. Our Co-operative Congresses, held up habitually as models of abstention from politics, every year pass far more "political" resolutions—resolutions affecting the welfare of the working classes—than those which in Italy make the timid *borghesi* protest that they are too "political." It is evidently the odium of popular criticism which the *Unione* fears. Its own members are *not* for the most part working men. They belong to the superior classes, and quite naturally do not feel as working men feel. The *Unione* officials attribute the failure of working men to join their society to the working men's disinclination to pay ready money instead of dealing on credit. However, in Turin and Sampierdarena they willingly pay cash. The real reason is that the *Unione* has too much of a *borghese* look about it for working men. Its wares, most largely exhibited, are not their wares. They are shy to rub shoulders with the ladies and gentlemen of the superior classes who throng the salerooms of the *Unione*. It is just the same thing with the excellent *Cooperativa Farmaceutica* of Milan. In Turin, as in Geneva, co-operative pharmacies are most highly appreciated by working men. They exist, in fact, specifically for them, and are kept busy by the large friendly societies established there. The co-operative pharmacy of Milan is admirably managed, and has helped to reduce current prices. But its members consist almost entirely of persons of the middle class. The problem seems a very difficult one of making one and the same co-operative institution do for different classes. Poverty is exceedingly intolerant of the appearance of wealth.

The *Unione Militare* is, of course, even still more removed from the working-man world. It was intended for officers of the army and navy. The requirements of such men are more modest in Italy than among ourselves, but they are far more pretentious than those of the working classes. The management of the *Unione* probably could not be better. The society was formed, with the late king's particular approval, about eleven years ago, officered by generals and colonels, who, of course, led it into trouble. To avoid the scandal of open insolvency the king begged M. Luzzatti to take up the matter. He telegraphed to Milan for the present *Commendatore Ponti*, then a clerk in the *Unione Cooperativa*, who at once steered the society into smooth water, and has since led it to brilliant success, more especially by developing a large trade in wine, which enables the society out of the profits earned to make reductions on the prices of other goods sold. The society maintains branch offices in Florence, Spezia, Turin, and other places, and does a very large business.

Co-operative supply assumes a wholly different aspect when we come to examine such working-class stores as those in Sampierdarena and, of all others, in Turin, the latter being to my mind at the present time altogether the most noteworthy specimen of Italian supply co-operation from a democratic point of view. The Sampierdarena society is excellent and flourishing, mainly composed of working men, but priding itself upon its non-socialistic character, and yet deliberately remaining in the *Lega*, so as not to widen the cleavage. Turin professes to be "socialist." What does that mean in the mouths of working men, who take such names, and the programmes that they stand for, on trust? At Turin you will see, at headquarters, the Co-operative Stores, the large Friendly Society, the *Camera del Lavoro*, which means the chamber composed of the local trade unions (about fifty), and a rather considerable working men's co-operative bank, with about four thousand members, housed under the same roof, in a spacious and well-constructed *palazzo* which belongs to the working men. That is indicative, not only of the considerable prosperity prevailing in these societies, but also of the close touch which they study to maintain among

themselves, wherever the ruling sentiment is democratic. The larger number of members (about 7000) in the Supply Society are really members of the Friendly Society, who have, in 1899, come to a nine years' agreement with the prosperous Co-operative Society of railway men (about 4000), virtually—for it comes to this—contracting with it *in corpore*, so to speak, for a fixed period (sure to be extended again and again) for their supply service, and giving friendly society benefits in return. In respect of capital outlay the two societies maintain separate accounts. In respect of benefits, all members share equally—dividend, benefits of the provident fund, education at the *università popolare*, as far as it goes, admirable medical service supplied by a staff of eleven salaried visiting medical men, and ten specialists, housed with all the most perfect appliances in a *policlinica*. (This is a most valuable institution, and costs the society 42,000 lire a year.) Among the general body of democratic co-operators you will find the belief in the complementary nature of these various organizations so strong that they are not content to look upon them merely as "wings of the same movement," as we do in this country, but actually as bricks of the same building. At Reggio a motion was brought forward to amalgamate the three, which met at the same time, and held two sittings in common, in one federated body. This motion was wisely rejected. But here you have the view clearly expressed which Italian democratic co-operators take of their movement. Its object is to benefit the working classes, the humblest as well as the better-to-do; to lead them to emancipation by every way practicable to them; to educate and raise them, and secure their equality with others.

The organization of the Turin *Alleanza* is excellent. Of course the goods dealt in are such as working men require. There are seventeen general stores, in which the sales amount to about 10,000 lire a day; and two chemist's stores, to which a third is about to be added. There is a large magazine outside the city, which holds, among other things, 25,000 hectolitres of wine. For the wine trade is here once more one of the main pillars of the society's dealings, yielding it annually 120,000 lire

of profit. But there is also in the magazine a large, capitally installed bakery, and, moreover, an oil store, and a store of fuel of various kinds, the trade in which is a peculiar feature of the *Alleanza*. Except in respect of bread, the *Alleanza* has adopted the strict Rochdale principle. Bread is sold about eight centesimi under current rates. The Stores are open to all the world. All who deal there receive the same amount of dividend. But provident benefits, free medical treatment, and education at the *università popolare*, are reserved for members alone. Our British co-operatives have nothing to teach these sturdy Piedmontese.

Not to dwell on particulars, such as the trade of the small stores, co-operative insurance,¹ and much else (of which some part is co-operative only in name, benefiting by the convenient co-operative law), I pass on to mention briefly the productive and labour societies, which are altogether identified with this democratic wing of Italian co-operation, although not all of them style themselves "socialist." Some very jealously insist that they are not.

The productive societies do not make much of a show as establishments by the side of our own great boot-and-shoe factories or hosiery societies, or the successful productive workshops of France or Germany. They are numerous, come-and-go, but for the main part very humble. Nevertheless there are good printing societies, house-painters, majolica works, a typefounders' society, and some others which do very well. The labour societies are altogether a speciality of their own country, and represent a form of combination peculiarly suitable to its circumstances, an unpretending but very effective instrument by which the very poor but willing may manage to help themselves. I have told their story, up to that date, in the *Contemporary Review* of August, 1896. Since then the storm of persecution has passed over them, and swept many away. The principal forms of labour societies are those of the *muratori*, mainly in towns; and the *braccianti*, mainly in the country. There have been

¹ A co-operative insurance society at Milan insures a larger number of workmen against accidents in employment than the pretentious *Cassa* for the purpose organized by the State.

others, of a variety of descriptions, all endeavouring, and up to a certain point succeeding, in bettering their condition by obtaining work straight from the original employer, taking collective contracts. These have made it their interest to do the work well and economically, subject to a direct responsibility to the employer, and have enabled them to earn for themselves the middleman's profit. The *muratori* are bricklayers, stonemasons, and builders of every kind, who combine, with expert guidance and counsel to assist them, to undertake building-work. Their existence was at the outset extremely precarious. They were untried, and beholden for orders only to personal friends of their own cause, or to municipal bodies which desired, whatever their motive might be, to befriend them. In course of time they rose to greater independence, and the better organized among them now experience no difficulty in obtaining contracts. Political considerations may have something to do with their success, but there can be no question that their work has approved itself by its quality. Count Guiccioli, then prefect of Rome, testified as much to me with regard to the work, more particularly the difficult sewer work, executed in the capital by the society *Vitruvio*, which has, on the ground of personal dissensions, unfortunately just gone into liquidation. And in Milan the great works executed by the *muratori* of that place—who stand far and away at the head of their movement, and are now extending their sway over the provinces of Como and Bergamo—the water-tower, the cemetery wall at Musocco, the artistic restoration, now in progress, of the *Castello*, etc., speak for themselves. The men earn better pay under this form of self-employment, and feel all the satisfaction of being independent. They are enabled to do much for themselves and their class in the way of provident benefits and of education, technical and otherwise. And they have the merit of having reduced the number of employment accidents almost to nil.

The *braccianti* are the unskilled labourers, taking their name from *braccio*, the arm. The condition of this class of labourers, when the societies were first formed, was most miserable. They were too helpless to strike. Therefore they combined in

co-operative groups, and obtained in the end, wherever they have become strong, by this peaceful and constructive method as substantial benefits as they could ever have hoped to do by the more bellicose and destructive method of strikes. They contract collectively for their labour, for the technical direction of which they secure the assistance of expert engineers—while at the same time combining with builders of various descriptions to enable them to undertake bigger contracts. For the actual management of their affairs they find excellent captains among themselves. Wherever good organization and opportunities have given them strength, they have been able to stand out for better wages. Their organization has had an important educational effect upon themselves. And in some districts they have found themselves powerful enough to check the employment of children in the unhealthy rice swamps. They have carried their efforts to emancipate their class even further. But, before explaining this, I should like first to mention briefly the quite original but very useful *Cooperativa del Golfo*. This is a society of working men employed in the Royal Arsenal at Spezia, but scattered all over the banks of the gulf. In order to meet the extortions of the owners of the old ferry steamers and their refusal to supply them with an adequate steamer service, they have, with the help of £60 given them by one Mrs. Henfrey, established their own ample steamer service in the gulf, which secures them cheap passages and considerable profits besides.

It may be in place here to add that, so far, Italian co-operators do very little in respect of providing labourers' dwellings. There are a few housing societies, it is true, but they are small and not very efficient. People's Banks, like those of Bologna, Bergamo, and Cremona, have advanced money for housing purposes. But the amounts voted are really insignificant. The "socialists," active as they are in other respects, purposely do not push co-operation in connexion with the housing question, because they contend that it is the business of the municipalities to provide dwelling accommodation, and they do not want to be found doing their work.

It may be convenient to deal with the various kinds of

co-operation practised by the several wings of the co-operative movement in Italy, in connexion with agriculture, under one head. Agriculture is a ticklish point in co-operation. The utility of co-operation as applied to agriculture is so very evident. Everybody would wish to see it freely put to use. And yet, on the other hand, when practised among agriculturists, who cultivate staple articles of consumption largely for sale, co-operation is most apt to degenerate into a selfish combination which endeavours to influence the legislature in the interest exclusively of one class, and at the same time into a "ring," which seeks to maintain high prices to the prejudice of the poor. Among small cultivators obviously there is not the same danger. Co-operation for agricultural purposes began in Italy, in the latter way, by the introduction of Dr. Wollemborg's excellent village banks. But the example set on a very large scale, with most striking results, by Germany and France, for the benefit of agriculturists, large and small alike, soon stimulated the Italians to greater efforts. And under the zealous initiation, more particularly of M. Luzzatti and M. Enea Cavalieri, agricultural syndicates, or *consorzi*, organized mainly after the French pattern, began to be formed over a large part of the kingdom. Their first object was to purchase necessary articles in common. At the same time, the agricultural banking movement spread, generally speaking with good results. And M. Luzzatti conceived—he told me of it in 1894—the plan which has now been successfully carried into execution, of co-operative banks opening to members, on the ground of inquiries made or security obtained, a cash credit (in current account) at a syndicate, so that the members could buy and the syndicate would be secured. The drawback to this system of giving facilities for agricultural credit is that it has engendered—as in France and Germany—an impression that the State is in duty bound to provide funds as well as facilities. Responding to a general desire, M. Luzzatti has recently obtained the concession that the Banco di Napoli should set apart 10,000,000 lire for purposes of agricultural credit, to be applied much in the way here described. (The Banco di Napoli is not a co-operative bank.) A proposal

very much discussed, fathered by M. Maggiorino Ferraris, and sponsored by M. Luzzatti, and loudly welcomed by the agricultural community, but not yet adopted, goes much further. It is to the effect that £2,000,000 should be appropriated every year out of savings-bank funds for the furtherance of agricultural credit, and of what would become a kind of compulsory co-operation—an impossible "Frankenstein"—among agriculturists generally. All this shows how very easy it is for "co-operation" to run off the rails, when once it is made to serve mere class interests. State socialism obviously is not co-operation.

The very active and public-spirited savings bank of Parma, which has employed a small portion of its funds in creating village banks, set a fresh example in respect of agriculture, by instituting a *cattedra ambulante*, or travelling college, which, being admirably officered, was at once much appreciated. There are now some hundreds of agricultural co-operative societies—I cannot give the precise number. About 250 are united to a "federation" which still has its seat at Piacenza, but may possibly shortly be removed to Rome. But there are many more. In these societies all now seems bustle and life. They vie with each other—sometimes to excess, poaching on one another's preserves. The *modus operandi* in respect of buying and selling is not altogether perfect. As in France, it bears evidence of being in an initial stage. Syndicates and *consorzi* often act rather as brokers and collectors of orders than as purchasing and reselling societies. All that will be more satisfactorily settled as time goes on. In any case the business is now managed on a rapidly increasing scale. A variety of other work is being done, besides mere buying and selling. One rather interesting practice, borrowed from France, may deserve mention. Vine-cultivating syndicates maintain special batteries to "cannonade the sky" so as to keep off the hail. It was my friend M. Guinand of Lyons who invented this new method of warfare with Jove, worthy of a modern Ajax. The pieces employed resemble nothing so much as an enlarged phonograph. Upon the approach of a hail cloud—this is recognized

by its shape and its colour—the pieces are fired one by one at regular intervals, say of a minute. This is said to have often proved effectual in driving the cloud away. Should the cloud, however, actually settle above the vineyard to be protected, the pieces are let off in rapid volleys, all at once. The result is said to be that the hail comes down in the form, not of damaging stones, but of innocuous snow.

The *consorzi* work hand in hand with the *cattedre ambulanti*, now established in all the most important provinces, but independently of the *consorzi*, being supported by subscriptions and by grants from the State, the provinces, municipalities, savings banks, and other public bodies. The *cattedra* of Parma, to state one instance, one of the best, costs about £2000 a year. Often the professor of the *cattedra* will be at the same time also the manager of the co-operative society, and his underlings will hold credentials from the *consorzio* to sell its goods (on commission) and to instruct applicants in the use of new implements recommended. The professors keep a sharp look-out upon anything new which is offered anywhere in the implement market, or the market for manures and feeding-stuffs. If, after examination, any such thing is found worthy of adoption, they recommend it. The *consorzio* will then buy specimens of the articles or goods, and exhibit them or show them at work. In this way the farmers, both small and large, pick up valuable knowledge about new implements, about the value of manures, about the proper selection of manures or seeds for certain crops and certain soils. In addition the professors encourage cultivators to establish experimental stations—there are about forty at present—to supplement the experimental stations maintained at their own headquarters. Once more, in this way, technical knowledge is diffused. And then there is the *consorzio* to sell whatever is wanted. The utility of this working hand in hand is indisputable and great. But it leaves certain *lacunæ*. Instruction is in the main confined to subjects which affect the trade of the *consorzio*. There is nothing done with regard to reafforestation, a most important subject for Italy; with regard to drainage; and only very, very little with respect to cattle-breeding, which

in the neighbouring country of Switzerland forms a leading head of agricultural co-operation. (The *consorzio* of Parma, however, maintains seventeen stations, where bulls of the Schwyz breed are kept to good purpose.) Neither is anything done by the syndicates for irrigation, which in many places would be a great boon and is distinctly practicable. But two syndicates, now constructing large reservoirs for the generation of electric power (a commercial undertaking), will provide irrigation incidentally. Moreover, this system of co-operation does not greatly benefit the small cultivators, nor help to settle the landless labourers, who are often without work and generally miserable, on the land. Some of the *consorzi* have begun selling members' produce, or taking it in exchange. But little is done as yet in this direction, one difficulty being that the bulk of the produce is not by any means always up to sample.

It was to help the *small* cultivator and the landless labourer that Dr. Wollemborg started his village banks. The Pope's brief was issued just in time to give the movement a useful fillip, but with the effect of diverting it from its non-denominational channel and making it "Catholic." Dr. Wollemborg had, in his own propaganda, relied very much upon the parish priests. Now that the Pope had spoken the word of encouragement, priests were bound to enlist themselves on *his* side. Accordingly Dr. Wollemborg's *casse* have become few and the "Catholic" *casse* many. But it is not only banks that the "Catholics" form. Nor would I have it understood that they confine their labours to rural districts, or, again, that others do not form co-operative dairies and similar institutions in the country. You meet with "Catholic" banks almost wherever you go in northern towns—at Milan, Bergamo, Brescia, Piacenza, Parma, etc. The "Catholics" set themselves to compete with the *borghesi* quite as much as they do with the "socialists," and to dispute them all the territory that they can. The original leader of the movement, Don Cerutti, is now active in his parish of Murano, distinctly an industrial district, trying to organize an operatives' bank and a co-operative house-building society. In the country the "Catholics" have organized a considerable number of

co-operative dairies, some *cattedre* or classes, many common purchase and supply societies, and they are now making a beginning with collective wine-pressing. What the ultimate object of the founders of these "Catholic" institutions may be, I cannot tell. It is not for me to impute motives, though motives are very freely imputed in Italy. Up to the present there is no fault to be found with their co-operation. The co-operators being small men, that flavour of "agrarianism" which is already asserting itself in *borghese* agricultural co-operation is, as a matter of course, wanting. And this co-operation does a very great amount of good.

But all this does not touch the most vital point in Italian rural economy. What Owen aimed at—in his own way—as a matter to be much desired in Great Britain, on many social grounds, namely, the settlement of labouring families, by means of co-operative methods, on the land, as independent tillers, that is, as labourers become farmers on their own account, is to Italians a matter, if not of life or death, at any rate of national and individual prosperity or misery. The condition of things still prevailing in many rural districts is downright scandalous, and its continuance is a stain upon the record of Italian legislation. Large numbers of the rural population are compelled to live—often only just keep themselves alive—rather like brute beasts than like human beings. In order that there may be a show of national industry, nurtured by protection, they must live on indifferent maize, forego salt, and fall incurably ill of that dreadful disease, pellagra. Meanwhile the merciless *esattore* (tax collector) is at work, turning them out of house and home, for want, literally, in some instances, of a poor three ha'pence to make up the amount of taxes due. Whole parishes are known to have been expropriated by distress. And after the *esattore* comes the *fittabile*, or middleman, who rents the land from the landlord and sublets it to these human beasts of burden, as merciless and more arbitrary and exacting. To rescue the poor toilers from this state of things, more than one scheme of land settlement has been propounded. The enterprising and well-organized *braccianti* of Ravenna have taken a

large tract of land situated in the swamp near Ostia, on a thirty years' improvement lease. And although the peculiar conditions characterizing the case do not make this experiment quite a fair one—there is a peppercorn rent only, to begin with, and there have been subventions—it has, at any rate, shown that these people can cultivate, can subordinate themselves to their chosen chief—as it happens, an exceptionally able man—and reclaim and improve as an orderly community. Another experiment, undertaken in the *Agro Romano*, nearer Rome, has miscarried, and so has an experiment the object of which was to provide town labourers with convenient gardens. Rather an important society has since been formed in Milan, with a fairly considerable capital—about £30,000—to further the matter. It has purchased an estate in Sardinia, and some land in the distressed Mantovano, part of which property is let out to *mezzadri*, according to the local *mezzadria* system (which leaves the landlord a direct interest in the farm), the remaining part being cultivated by the society. Very much is being said at present about this experiment, and the originator, Dr. Perussia, was the other day awarded the gold medal of the *Lega Nazionale*, in recognition of his meritorious work. However, the whole idea seems crude and unlikely to yield good practical results, though, of course, it helps to prepare the public mind. There appears to me to be far more prospect of success attaching to the scheme taken up in good earnest by the small men themselves, the "socialists"—to be, of course, at once appropriated by the "Catholics"—to form local co-operative land-renting societies, which are to replace the grasping *fittabile*, and relet the land rented to their members for cultivation, each holding by itself, on the holder's own account, so as to leave to the latter the impetus of his own interest. This method really only forms the main feature of a larger scheme, which the Italian "socialists" have in part borrowed from their brethren in Belgium. It is to organize the rural communities locally, as communities of small landholders, with their own supply society to cheapen their living, productive societies to enable them to turn their agricultural produce to better account, and also productive

departments to supply the local store with the clothing and other articles required, and, in any case, their *Maison du peuple* (*Casa del popolo*) to serve as social, educational, business, and political centre. That idea seems practicable, and its execution is committed to the hands of experienced and approved organizers. Also, the local people appear to understand it readily and fall in with it. There are already about 12,000 members enrolled in Lombardy alone. There is, accordingly, reason to anticipate beneficial results as it spreads.

Although the outline here given has, of necessity, been only hurried and brief, it will appear from what has been said that, although not yet numerically, and, of course, not financially, equal to the other, it is the "forward" section, democratic on one side, and dubbing itself "socialist" or "Catholic" on the other, but none the less democratic in its membership, which has gained the ascendant in the co-operative movement. It is everywhere most in evidence. It is exhibiting the warmest enthusiasm. It is gaining the largest number of converts. Its *Lega*, or union of democratic societies, formed only recently, and at the outset haughtily ignored by the wealthier and less democratic bodies, has grown strong—strong enough to extort recognition—and is steadily adding new societies to its roll. It has become a very active centre of propaganda. The old *borghese* co-operation has not retrograded. Quite the reverse, it is steadily gathering additional strength. But it is surpassed in respect of pace by its more popular rival. And in course of time, unless it can manage to acquire some new fire of enthusiasm, it threatens to be distanced. The explanation is perfectly simple, and, I think, creditable to human nature. Co-operation is not, or ought not to be, a mere business speculation, aiming at and resulting in "dividend." It wants some higher aim to give it strength. The Italian *borghesi* have, like their prototypes in Germany, and their first leader, Schulze Delitzsch, in their desire to avoid the odium of being set down as politicians or revolutionary agitators, insisted far too much on the purely economic side of co-operation, often going so far as actually to limit its proper sphere to economic objects. That leaves people's hearts cold. The "socialists,"

as they are called, and the "Catholics," propose to themselves a loftier ideal, calculated to nerve their followers to greater efforts and to self-denial. They are not the mere subversive revolutionaries, "agin' the Goverment" from sheer spite or perverseness, that their *borghese* opponents sometimes assume them to be, any more than the "Catholics" are mere henchmen of the Pope, dishonestly promoting co-operation for political ends. Both sections propose to themselves the aim of an entire class raised, the country enriched and improved, society regenerated, according to their several ideals. The ideal may be wrong, but the motive appeals to the masses. It produces unselfish, public-spirited action, in which economic gain becomes merely a secondary consideration, a means to a nobler end. It is a pity that the *borghesi* persist in holding aloof, instead of placing themselves abreast of their rivals, to guide, instruct, and influence them for good, scarcely claiming a place even in the *Lega*, which is fast becoming, what it calls itself, a *Lega Nazionale*. Co-operation, without the masses to accept it and to profit by it, is like a tree without a root. There is no country which needs the stimulating force of co-operation more than Italy, none in which co-operation seems more calculated to prove of benefit to those large numbers of poor, whose poverty really is the canker which prevents the nation from becoming genuinely prosperous and contented. One may be thankful that the taste for co-operation has effectually reached those masses, whatever be its present shape, and add the hope that the several sections will learn in course of time to compose their strife, and bridge over the existing gulf of estrangement, for the benefit of their common country.

HENRY W. WOLFF.

THIRTY YEARS' EXPORT TRADE: BRITISH AND IRISH PRODUCE, 1870-1899.

IN view of the constantly recurring statements concerning the alleged decay of our export trade, it may not be without interest to attempt a somewhat detailed examination of this branch of our commerce. In a recent article dealing with this subject, written in a very gloomy vein, it seems that one of the causes of the author's pessimism was a comparison made between the sterling value of our exports in 1873 and in each successive fifth year. But this is obviously a very insecure foundation on which to base any conclusion. Some of these years may have been, and in fact were, years of great depression, and others of great expansion; and, further, it is most unsatisfactory to draw conclusions from the sterling values only, without taking into consideration either the question of price or of quantity.

The method of comparison I have adopted is the following. I have selected eighteen of our principal commodities, the export of all of which has exceeded, in any one year, at some period within the thirty years from 1870 to 1899, the sum of two million sterling, and the classification of which has not so materially altered during this period as to render a comparison valueless in any of the three factors of total value, price, or quantity. These trades are—coal; beer and ale; cotton yarn, bleached and unbleached cotton goods; printed and dyed cotton goods and goods made of dyed yarn; cotton thread for sewing; fish herrings; jute piece goods; linen yarn; white or plain linen manufactures; pig and puddled iron; bar, angle, bolt, and rod iron; rails; tin plates; unwrought copper ingots, cakes, and slabs; spirits; woollen and worsted yarn, and woollen and worsted

tissues. The total average value exported annually of these commodities during 1890-99 exceeded £122,000,000 sterling, or 51 per cent. of our total average annual export of British and Irish produce, which averaged £237,059,239 for the same period. They represented, however, 59·4 per cent. of our exports from 1870 to 1879, so that the specialization of our export trade would appear to have decreased during the period under review.

I then worked out the average annual export, both in value and quantity, for periods of five years, and made ten yearly comparisons of these averages. I have also treated the mean of the average annual prices in the same way (for details see Appendix, p. 32). In this manner we obtain comparisons between one period of five years and another; or, what I deem to be still more satisfactory, between periods of ten years, which is, after all, but a very short time in the life of a country, and which period usually embraces the whole cycle of expansion and depression. For instance, the results of comparing 1870-74 with subsequent periods of five years, and 1870-79 with corresponding periods of ten years, are very different, because the five-year cycle is overweighted by the exceptionally prosperous years 1872-73, a prosperity owing to causes connected with the Franco-German War.

Bearing in mind that comparing total values alone is not satisfactory, because it does not take into consideration the question of price, the following figures are interesting:—

AVERAGE ANNUAL EXPORTS, BRITISH AND IRISH PRODUCE.

	£		£
1870-74 ..	234,726,611	1875-79 ..	201,475,781
	}		}
1880-84 ..	234,275,000	1885-89 ..	226,244,866
	}		}
1890-94 ¹ ..	234,449,488	1895-99 ² ..	239,668,991
	}		}
Average, 1870-79 ..	218,101,196	Average, 1880-89 ..	230,259,933

Average, 1890-99 ..	237,059,239		

¹ Tobacco manufactured in bond is included with exports of foreign and colonial produce prior to 1892, and after with British and Irish produce.

² Prior to 1899, new ships and their machinery were not included in the returns.

AVERAGE EXPORT PER HEAD OF POPULATION.

		s s. d.		s s. d.
1870-74	..	7 7 5	}{ Average, 1870-79	.. .. 6 9 0
1875-79	..	6 0 7		
1880-84	..	6 12 11	}{ Average, 1880-89	.. .. 6 8 3
1885-89	..	6 3 7		
1890-94	..	6 3 2	}{ Average, 1890-99	.. .. 6 1 8
1895-99	..	6 0 3		

Of course, if imports have declined in price as much as exports, it does not matter if we export a less sterling amount. For instance, if wheat declines as much as cotton goods, we still obtain the same amount of wheat for our cotton goods, although the actual sterling amount of cotton goods exported may have declined. Mr. Bowley has shown that, between the years 1881 and 1895, "exports have fallen in price very generally at a slower rate than imports;"¹ and Professor Flux, to the same effect, that the prices of imports fell, during a period of twenty years, from 1876 to 1896, more than the prices for exports; and this fact seems to hold good, also, over the period from 1870 to 1899.

We might, therefore, arrive at a comparison by finding out the average decline in price in the period under review, and then working out what the average annual exports of 1890-99 would have been had prices remained the same as they were in 1870-79, in some such way as the *Economist* does with the annual returns. The comparison is, however, much more satisfactory as between two consecutive years than between years separated by long periods, and, in working out the average prices, one comes across such curious results, that I have preferred to make my comparison on the basis of quantity. For instance, the average price for woollen and worsted tissues was higher in 1890-99 than in 1870-79, although the price for the majority of the descriptions exported was lower. This was caused by the great change in the relative proportion of cheap and dear stuffs exported.

There is, however, an objection to depending altogether on quantity, for although the quantity may be larger the quality may be poorer. The point that tells most on our prosperity is

¹ *Economic Journal*, June, 1897: "Import and Export Index-Numbers."

the quantity of labour profitably employed, and if, through reducing the quality, we are obtaining a smaller return for our labour for the same quantity, the increase of quantity does not benefit us as much as would appear. Thus, if thirty years ago we were exporting a cotton cloth 32 inches wide and with 20 picks to the quarter-inch, and to-day we export, instead, a cloth 29 inches wide and with 17 picks to the quarter-inch, we must deduct from the gain in quantity, if any, the amount of reduced return to the smaller quantity of labour required to spin the yard for and weave the cloth 3 inches narrower and 3 picks less. This, however, would be small in the case cited as compared with the fall in price of the cloth, which decline would, of course, be chiefly due to the smaller quantity of cotton used, and to the decline in the raw material.

On the eighteen commodities selected, the average increase of quantity, comparing 1890-99 with 1870-79, is 25 per cent.; so, if prices and quality had remained the same, our exports of British and Irish produce would show an increase of 8 to 9 per cent. per head of the population in 1890-99 over 1870-79, instead of the decline of 5 to 6 per cent. which the figures previously given show.¹ This is, of course, assuming that the increase of 25 per cent. on our eighteen commodities (representing 51 per cent. of the total exports of British and Irish produce in 1890-99) holds good for the remaining 49 per cent. of our exports, the conditions of which have not been subjected to the same detailed examination. The remaining 49 per cent. includes such commodities as machinery, chemical products, earthenware, furniture, millinery, etc., where a comparison on a basis of quantity is obviously impossible. We have, however, this fact to guide us, that, while our average annual value of exports of British and Irish produce increased, in 1890-99, by £19,000,000 sterling, the average annual value of our eighteen commodities decreased £8,000,000 sterling; the remaining 49 per cent. of our exports must, therefore, have increased £27,000,000.

¹ In order to obtain the total average increase of quantity, I have weighted the percentage of increase or decrease of quantity of each individual commodity with the percentage such commodity bore to our total export of these commodities in 1870-79.

We may, therefore, say that, comparing 1890-99 with 1870-79, 51 per cent. of the exports of British and Irish produce, while showing a decline of about 6 per cent. in value, showed an increase of 25 per cent. in quantity, while the remaining 49 per cent. showed an increase of about 30 per cent. in value, it being not feasible to make an adequate comparison of quantities.

If, however, we leave coal out of our calculations, we find the average annual quantity exported in 1890-99 was only 16½ per cent. more than in 1870-79, instead of the 25 per cent. increase previously stated.

Comparing 1890-99 with 1880-89, our increase in quantity is only about 7 per cent. ; or, again leaving coal out of consideration, we have an increase of about 3 per cent. only.

The increase of 7 per cent. in quantity shows a decrease of 1½ per cent. per head of population, instead of a decrease of 5 per cent. on the figures previously given, and based on the exported value per head of the population.

The increase in annual average value exported in 1890-99 was £6,800,000 over that of 1880-89, or about 3 per cent.

Our eighteen commodities show a decrease of nearly £3,000,000 sterling during 1880-89, the remaining 49 per cent. of our export trade, therefore, shows an increase of nearly £10,000,000, or about 10 per cent.

Comparing 1880-89 with 1870-79, the eighteen commodities show an increase in quantity of nearly 17 per cent., and a decrease in value of nearly £5,000,000 sterling per annum, which is close upon 4 per cent. ; while the remaining commodities show an increase of £17,000,000, or 19 per cent. The rate of increase from 1880-89 to 1890-99 was, therefore, not so satisfactory as from 1870-79 to 1880-89. We find, however, in both decades a substantial increase in value on that portion of our trade which we have been unable to compare satisfactorily on a basis of quantity ; and as the other portion of our trade, though showing a decrease in value exported, shows an increase in quantity exported, we might fairly assume that this increase in quantity holds good over the whole of our trade.

I must confess, however, that I am very loth to place much

reliance on figures dealing with value only, as I am very doubtful as to the accuracy of the returns of value made by exporters and importers for customs. There appears to be very great laxity in the manner in which these returns are made both for exports and imports. Sir Robert Giffen, in a paper on "the Use of Import and Export Statistics," read before the Statistical Society in 1886, drew attention to this probable error; but the error is probably greater in the period subsequent to 1886 than it was in the fifteen years prior to that date. I have endeavoured to find out the extent of probable variation, but it is not an investigation which can be carried on by a private individual with any chance of success; if there is a probability of any substantial inaccuracy, the investigation of the probable error is a work which might very suitably be undertaken by the Chambers of Commerce.

If it were not for the possibility that the error has grown in extent, it might appear that the inaccuracy, if any, would not materially vitiate the value of comparisons between different series of years, as it might be assumed that it would be as great over one series as over another. I do not think that this assumption is justified. I believe that a very large proportion of goods exported from this country, and sold on a c.i.f. basis, are declared on this basis instead of on the f.o.b. value.¹ And since the proportion of goods now sold on a c.i.f. basis is vastly greater than it was twenty or thirty years ago, or even fifteen years ago, to the extent of this error the sterling value of our exports is unduly swollen. In drawing up the balance of our international transactions, we are accustomed to treat freight of exported goods carried in British bottoms as an invisible export, but, to the extent to which our export values are c.i.f. values instead of f.o.b. values, this export, in place of being invisible, is actually returned in the valuations.

Furthermore, with the increased pressure of business, and the total immunity from the consequences of their sins which the

¹ c.i.f. stands for "cost, insurance, and freight;" f.o.b. means "free on board;" and so the f.o.b. value does not include the cost of carriage from the port of origin to the destination of the goods as the c.i.f. value does.

clerks responsible for the declarations for customs entries have experienced, the carelessness on their part has probably grown. The entries for customs on non-dutiable goods is probably the one piece of work in a well-regulated merchant's office which is entirely without a check of any sort. The systems of declaring values seem to be very numerous. I have heard of a firm which declared, till recently, all exports at 20 per cent. over cost, and which now declares everything on a c.i.f. basis. Another firm was in the habit of declaring at 10 per cent. under invoice price. One firm declared all their shipments of cotton goods on the basis that two thousand yards were worth £20; another, on the assumption that all unbleached cotton cloth was worth 2d. a yard. Again, large quantities of goods are declared by forwarding and shipping agents, who, in the absence of declarations of value from the merchant, assume a value for customs purposes. And in declarations of metals and hardware exported, the error is probably in many cases very large. Such exports, for instance, as bar iron are probably often declared approximately at the then ruling basis price, whereas, on a large proportion of the shipments, there are "extras," amounting to anything up to 40 per cent.; that is to say, the bars shipped are of much less thickness than the bars for which the basis price is quoted, and consequently cost much more. No doubt, wherever possible, attention is drawn by the Customs authorities to any very obvious error; but it is quite impossible for them to judge at all accurately of the correctness of the values given for goods shipped, when the quality is not declared, and there may be a possible variation of, perhaps, 50 per cent. or even more between the lowest and the best quality.

I do not think that the values given for imports are more trustworthy, except to this extent, that the values given for such imports as the graded descriptions for wheat, which can be controlled by the Customs authorities, or the graded descriptions of raw cotton, are probably as nearly as exact as can be obtained, and that these items form a considerable proportion of our total imports. But in the case of ungraded qualities the error is probably often much greater; and in the very few cases where

I have been able to obtain figures (mostly for miscellaneous imports), I have come across results such as the following:—A parcel of drugs declared at £735 realized £1050; a parcel of finishing material declared at £250 realized £128; another parcel realized £134 and was entered at £229; a mineral cargo entered at 60s. per ton realized 45s. These examples show errors of from 25 to 100 per cent., and, if they exist to any large extent, as I believe they do, they make any conclusions drawn from the sterling amount of our exports and imports very doubtful, at any rate as regards details. I have no reason, however, to suppose that the quantities returned are equally untrustworthy, as it is easier for every one concerned to declare true quantities than false ones.

Coming back to our eighteen commodities, we find that eleven of them have increased in quantity, one has remained stationary, and the remaining five have declined. Beer and ale declined 20 per cent. in value, $7\frac{1}{2}$ per cent. in quantity, and 13 per cent. in price. Coal increased 100 per cent. in value, nearly 140 per cent. in weight, and the price declined 18 per cent. Cotton yarn declined 32 per cent. in value, gained 9 per cent. in weight, and the price fell 36 per cent. There was, however, a very marked falling off in the weight shipped in 1900, but this decline has been arrested in 1901. Comparing 1890–99 with 1880–89, there is a falling off both in value and weight.

We must, however, bear in mind that other countries in commencing to spin for themselves turn first to the coarser counts of yarn, and that this is therefore the first portion of our yarn export trade which we tend to lose. If we could compare the length of yarn instead of the weight of yarn shipped, the figures possibly might not be so unfavourable, and the return to our labour would be greater on any given weight of fine yarn shipped than on the same weight of coarse yarn.

Cotton goods, bleached and unbleached, show a loss of 9 per cent. in value, a gain of 36 per cent. in yardage, and a fall of 33 per cent. in price. There has been a steady increase in yardage over each period of five years.

Cotton goods are made of dyed yarn; and printed and dyed

cotton goods show a gain of 1 per cent. in sterling value, a gain of 59 per cent. in yardage, and a fall in price of nearly 70 per cent.

Cotton thread for sewing shows an increase of 90 per cent. in value exported, 130 per cent. in weight, while prices have fallen 11 per cent.

The export of fish herrings is also very satisfactory. Price has fallen 14 per cent., value exported has increased 57 per cent., and quantity 98 per cent.

Jute piece goods increased, in value exported, 58 per cent.; in quantity, 145 per cent.: but the price fell 53 per cent. On the other hand, the sterling value of white or plain linen manufactures shows an all-round decline of 42 per cent. in value, 17 per cent. in quantity, and 30 per cent. in price. The chief drop here seems to have been between the years 1870-74 and 1875-79. In 1870-74 the average annual export was 205,000,000 yards, but in the five following years it had fallen to 157,000,000 yards, whereas the average for 1890-99 was, approximately, 150,000,000 yards. But the quantity of printed, checked, or dyed linen and sail cloth has increased, so that, if we compare all descriptions of linen piece goods, we find that we exported an annual average of 173,000,000 yards in 1875-79 and the same quantity in 1895-99.

Linen yarn shows a decline of 43 per cent. in value, 38 per cent. in quantity, and 13 per cent. in price. The loss in quantity averages 14,000,000 lbs. weight annually; on the other hand, the average annual export of jute yarn has increased from 14,000,000 lbs. weight to 38,000,000 lbs. This large decrease in the linen exports and large increase in the jute exports would lead us to wonder how much may be accounted for by the substitution of jute for the coarsest description of linen goods, or the mixing of jute with coarse linen goods in the process of their manufacture.

Turning to the metal trades, the value of pig and puddled iron exported has decreased about 29 per cent., the weight has remained stationary, and the price has declined 27 per cent. The average annual weight exported during 1890-99 was 24 per cent. less than that exported during 1880-89.

Bar, angle, bolt, and rod iron show a decline of 56 per cent. in value exported, 39 per cent. in weight, and 29 per cent. in price.

Rails of all sorts show a decline of 51 per cent. in value, 8 per cent. in weight, and 48 per cent. in price. The decline, however, in weight between 1880-89 and 1890-99 was 27 per cent.

Tin plates show an increase of 36 per cent. in value, 150 per cent. in quantity, and a fall of 48 per cent. in price ; and although 1890-99 compares favourably as regards quantity with 1880-89, 1895-99 compares very unfavourably with 1890-95, presumably on account of the increase of protective duties within this period in the United States.

The method of classifying iron and steel products has varied so much that it is impossible to compare satisfactorily in detail a larger proportion of this important trade ; but in view of this, and the substitution in recent years of steel for so many purposes where iron was formerly used, I have thought it well to give a comparison of the total average annual export of iron and steel. This shows us that while value decreased 8 per cent., quantity increased 20 per cent. However, we again find that the quantity exported in 1890-99 averaged 15 per cent. less than that exported in 1880-89.

In copper unwrought ingots, cakes, and slabs, we find our export has grown 55 per cent. in value, 130 per cent. in quantity, while prices have fallen 35 per cent.

Spirits show a very remarkable result. The value exported has increased 480 per cent., the quantity 183 per cent., and the price has risen 94 per cent. This is exclusive of spirits taken as ship's stores. The explanation of this extraordinary increase in value exported and average price is, that the year 1875 saw the commencement of the export of whisky in large quantities. Previous to this year the trade was quite small, and the export of spirits consisted mostly of gin, some which was as low as 1s. per gallon. The increased whisky export largely displaced the gin export. The average price of spirits exported in 1875 was 100 per cent. higher than that of 1874.

The value of woollen and worsted yarn exported has decreased

5½ per cent., the quantity has increased 56 per cent., and the price has declined 37 per cent.

Woollen and worsted tissues, mixed and unmixed, exclusive of flannels, blankets, carpets, and unclassified sorts, have decreased 29 per cent. in value, 36 per cent. in quantity, and, for reasons already explained, have risen 14 per cent. in price.

Comparing 1890-99 with 1880-89, eleven commodities show a rise in quantity exported, the percentage of rise varying from 0·6 to 52 per cent. : coal showing 45 per cent. ; cotton thread, 33 per cent. ; fish herrings, 30 per cent. ; tinned plates and cotton goods other than bleached and unbleached, 18 per cent. ; copper, 52 per cent. ; spirits, 50 per cent. ; and woollen and worsted yarn, 41 per cent. One commodity—beer and ale—has remained stationary. The remaining six commodities show decreases varying from 3·6 per cent. in linen piece goods, to 42 per cent. in bar, angle, and bolt iron ; woollen and worsted tissues have decreased 24·6 per cent. ; rails, 26·5 per cent. ; pig and puddled iron, 23·1 per cent. ; and cotton yarn, 4·8 per cent.

Until the extent of the error in the returns of value for customs purposes has been investigated, all conclusions drawn from calculations on the basis of value are necessarily unsatisfactory ; but with this reserve borne in mind, we may say in conclusion that, during the period under review—(1) our exports of home produce have increased in value in spite of the fall in prices ; (2) that they have increased still more in quantity : (3) that the value exported per head of the population has grown smaller ; (4) that the quantity exported per head of the population has grown larger ; (5) that the growth from the second to the third decade under review was not so satisfactory as that from the first decade to the second ; and that the increase from the second decade to the third has not kept pace with the growth of population within the same period. (For Appendix, see next page.)

BARNARD ELLINGER.

APPENDIX.

		COAL.			Economic Review.		
£		1870-74	1875-79	1880-84	1885-89	1890-94	1895-99
Tons	..	9,499,991	..	8,188,862	..	11,253,556	..
Shillings per ton	..	12,838,781	..	15,640,194	..	25,488,458	..
£	..	14.63	..	10.52	..	9.14	..
Barrels	..	2,160,378	..	1,887,073	..	1,693,970	..
Shillings per barrel	..	534,150	..	454,862	..	448,357	..
£	..	205,512,537	..	16,368,526	..	12,654,373	..
Pounds	..	18	..	203,214,582	..	248,983,200	..
Pence per pound	..	..	..	13.10	..	12.62	..
Yards	..	34,216,446	..	30,991,958	..	34,279,381	..
Yards per yard	..	2,408,742,515	..	2,621,493,680	..	3,122,336,180	..
£	..	20,638,970	..	18,888,976	..	21,051,233	..
Yards	..	1,036,767,085	..	1,048,312,593	..	1,370,527,620	..
Pence per yard	..	4.77	..	4.33	..	3.68	..
£	..	8,031,032	..	1,378,611	..	1,843,704	..
Pounds	..	41.11	..	11,024,469	..	11,024,469	..
Pence per pound	..	..	..	40.36	..	38.16	..
£	..	949,389	..	947,451	..	947,451	..
Barrels	..	690,638	..	612,603	..	1,017,777	..
Shillings per barrel	..	27.35	..	31.22	..	29.19	..

Thirty Years' Export Trade.

		Jute Printed Goods.		2,110,160 "		2,024,010 "	
		Jute Yarn.		201,000,000 "		206,400,000 "	
		Linen Yarn.		16,505,000 "		16,486,500 "	
		Jute Yarn.		14,25 "		14,25 "	
Yards	"	1,314,703	126,317,869	1,011,743	2,394,141	16,6016,800	2,394,141
Pence per yard	"	8.67	8.11	125,317,869	216,016,800	270	270
Yards	"	2,055,061	21,056,908	1,377,183	18,019,220	14,03	14,03
Pence per yard	"	32,110,221	15.65	21,056,908	18,019,220	14,03	14,03
Yards	"	1644	"	1644	"	"	"
Pounds	"	"	"	"	"	"	"
Pence per pound	"	"	"	"	"	"	"
No.	"	"	"	"	"	"	"
1 st Pounds	"	"	"	13,417,185	16,970,959	21,040,100	21,040,100
Yards	"	6,398,349	4,741,177	4,567,784	3,774,441	5,91	5,91
Pence per yard	"	205,523,173	157,987,039	156,730,440	163,827,760	6.97	6.97
Yards	"	748	7.18	7.18	5.91	"	"
Tons	"	"	"	"	"	"	"
Shillings per ton	"	"	"	"	"	"	"
Yards	"	218,852,723	173,284,196	166,600,400	166,900,600	165,877,900	172,832,500
Tons	"	"	"	"	"	"	"
Shillings per ton	"	"	"	"	"	"	"
Yards	"	4,592,561	2,889,311	4,261,864	2,455,775	2,312,671	3,004,946
Tons	"	1,012,024	977,281	1,541,278	1,076,059	884,731	1,110,206
Shillings per ton	"	88.09	69.53	54.86	45.35	51.61	53.14
Yards	"	3,186,073	1,944,360	2,133,001	1,545,059	1,204,459	1,061,682
Tons	"	306,387	241,419	206,298	284,176	178,258	159,916
£ per ton	"	10.59	7.99	7.12	5.86	6.68	6.57

APPENDIX—continued.

		Turned Plate.			1885-86			1886-87		
£	Tons	1876-78	1880-84	1886-88	5,107,074	5,637,687	3,245,523	3,245,523	3,245,523	3,245,523
		3,247,664	3,170,356	4,541,094	381,719	389,745	1149	1149	1149	1149
		116,227	185,278	216,925	1414	1399	..	..	..	..
		28-62	20-73	19-90						
£	Tons	Total of Iron and Steel.			24,815,833			23,897,889		
		31,015,977	20,881,839	28,133,162	3,762,969	3,007,985	..	23,771,062	3,406,715	..
		2,984,578	2,441,698	3,901,432						
£	Tons	Copper—Unbrought Ingots and Slabs.			1,242,070			1,711,291		
		1,068,816	1,023,009	1,077,482	467,569	680,269	..	1,477,358	528,587	..
		253,176	275,217	326,593	305	255	274			
		4-28	3-79	3-27						
£	Gallons	Spirits. ¹			1,035,940			1,302,673		
		164,886	362,673	722,754	3,076,852	3,762,069	785	1,849,702	4,705,589	..
		1,554,100	1,435,051	2,584,211	671	698	..			
		2-51	6-11	5-77						
£	Pounds	Woollen and Worsted Yarn.			4,231,367			4,261,385		
		5,631,433	4,149,711	3,425,199	43,441,040	46,092,100	20-14	5,083,471	60,576,400	..
		37,744,573	30,823,685	32,157,800	25-83	23-38	..			
		35-91	32-37	..						
£	Yards	Woollen and Worsted Textiles, Mixed and Unmixed. ²			16,298,815			14,071,819		
		21,871,611	15,927,301	15,068,803	245,802,940	245,591,900	1774	13,216,375	178,754,200	..
		322,869,229	252,753,023	14-32	15-92	15-92	..			
		16-20	15-12							

¹ Exclusive of spirits taken as ship's stores.² Exclusive of blankets, carpets, and unclassified sorts. Prior to 1884 large quantities of piece goods of mixed materials, in which wool predominated, were erroneously entered as cotton manufactures, but are now included with woollen and worsted stuffs.

SOME ASPECTS OF PROFIT-SHARING.

THE object of this paper is to give some account of the application of a system of profit-sharing to businesses which are not altogether of the ordinary character in respect of the class of labour employed, and if the writer seems to lay too much stress upon the plan adopted by his own firm—Clarke, Nickolls & Coombs, Ltd., manufacturing confectioners—it is not because he considers this particular scheme superior to all others, but because it comes readiest to hand as an illustration of his remarks.

Distrust has always prevailed to some extent between employer and employed in the industrial world, and, so long as human nature and the present organization of industry remain unchanged, there can be little doubt that mutually harmful collisions are bound to take place from time to time between them. It is, therefore, the duty of every one concerned to try and find means of lessening this antagonism, and some think that they have found such a method in a scheme of profit-sharing; for its adherents claim that it tends to secure identity of interest for both parties in this unfortunate strife. Under it the capitalist gets a fixed rate of interest for his money, and perhaps also a salary or allowance as a recompense for his personal services, while, on the other hand, the employee is paid wages at the market rate; but further, any extra profits earned by their harmonious relations and mutually stimulated exertion of brain and muscle, are regarded as divisible between them in accordance with the particular scheme agreed upon when they joined forces.

The problem of industrial peace has undoubtedly been solved by a system of this kind, as practised by some French business

houses, in which the conflicting interests of capital and labour, or of employer and employed, have become quite reconciled to one another; but businesses so differ from one another in their nature, that it would probably be too sanguine to regard profit-sharing as of universal application. In the two best-known cases, those of Leclaire and Godin, the employers were not only men of genius, but men of the finest human sympathy, and endowed with wonderful personal magnetism. Such men would doubtless have obtained success in any case, but in carrying out their profit-sharing schemes they probably succeeded fully as well, from the point of view of mere material wealth, as if they had employed their talents for business in the ordinary way. Indeed, Leclaire says himself that, if he had gone on in the beaten track, he could not have reached a position comparable with that which he had made for himself by profit-sharing.

In many undertakings the mere saving of waste in time and materials will alone provide a bonus for labour, and although capital has no other advantage than that of contented labour, a system of profit-sharing will be worth a trial. Goodwill and harmony may be regarded by some as mere sentimental assets, yet in industrial relations they have an appreciable money value. The enjoyment of them leaves management, probably the chief element of success in business, more free to devise and direct; and with many interested in the results, less waste will occur, and the need for supervision will be lessened.

It was this belief, and not motives of benevolence, that led to the adoption of profit-sharing by the writer's company. The waste in handling sugar and other raw materials may be very considerable indeed. Greater physical exertion was not so much expected, as piecework had, wherever possible, been the rule of the factory. The personal relations between employer and employed had always been excellent; and these relations have been strengthened since the adoption of profit-sharing, for length of service has increased, and better time has been kept. Working, as the firm does, with comparatively unskilled labour, the advantage of this is considerable, as those employees who migrate from trade to trade rarely become skilled in any of

them, and this fact alone may account, more than some are aware, for the low rate of wages payable in some businesses. It may take some months to acquire ordinary deftness, and it frequently happens that, just as the learner is becoming efficient, discontent with his position seizes him, and he leaves to start learning the rudiments of another trade that temporarily appears to offer greater advantages. And so the round goes on.

Piecework checks this wandering habit to some extent, as it more speedily develops fitness and real capacity for earning high wages; but it has its disadvantages, and is, moreover, not of universal application. By combining it with profit-sharing, which is a deferred benefit, and implies care and quality of work as well as reasonable quantity, the best results should be realized. But the methods of applying either or both systems must vary more or less, since, though businesses may approximate to one another, no two can be exactly alike. Where profit-sharing has failed, the cause may often be found in insufficient study of the surrounding conditions.

Some think that the bonus should be given in the shape of recreation-rooms or libraries, others in cheap dwelling-houses or dining-rooms. All these are excellent, but quite unattainable where every square foot of space is needed for work, and where the removal of a factory might mean the loss of business and workers together. Others lay stress on schemes of thrift and more or less compulsory attachment to a particular employment, by investing the bonus in the capital of the business. Nothing can be said against any of these ideas. All may be excellent with certain classes of labour and employment, but they are in no way applicable to a case like that of the writer's company, where at least two-thirds of the employees are young women, whose natural object in life is to get married and set up house-keeping. Neither small thrift nor recreation-rooms will prevent a young woman occupying her natural sphere in life when a suitable opportunity offers. Superannuation is also an excellent feature in a profit-sharing scheme with men of mature years, but its far-away advantages offer few attractions to the young man or girl of from sixteen to twenty-four years of age.

Methods to suit the circumstances of each business should be carefully thought out beforehand, and every care should be taken that they are so conceived as to give reasonable satisfaction to the work-people. For many reasons it is desirable that the particular method adopted should be easily capable of alteration, in small details at least. It should promise benefits substantial and tangible enough to encourage the work-people, and should be drafted in a spirit to conciliate and induce goodwill without servility, and yet be sufficiently within the employer's control to prevent any detriment to the business that might possibly arise. Above all, it should be so constituted that wages should not be decreased because of the prospect of a future bonus.

Whatever some may think, I am convinced that it is perfectly reasonable and right that capital should take the risk of all losses, in consideration of the greater industrial security obtained, and therefore that labour in a profit-sharing business is entitled to the full current rate of wages. If by the exercise of care and goodwill, and the harmonious working together of employer and employed, profits are earned in excess of those representing commercial interest on capital and a percentage to form a reserve against possible losses, it is reasonable and just, and in no sense merely benevolent, for labour to share in such profits according to some scheme that may be agreed on. Although the writer's company had been paying dividends of 10 per cent., they thought it quite reasonable to fix the wages of their capital, which, by the way, did not contain any "water," at 6 per cent., to cover commercial interest and to form a reserve for lean years. This showed the work-people that the shareholders were willing to risk something in order to secure their hearty co-operation. The condition of participation was made a year's service, as it was held that at any rate in the business in question the majority of those who stay less than that time earn no bonus. The whole of the bonus earned is paid in cash.

But there is also another bonus. The company do not confiscate the share of bonus forfeited by non-fulfilment of the conditions. This portion goes to form during the succeeding year

a provident fund, providing seven weeks' aliment in sickness to participants, to pay £5 towards the funeral expenses of any participant dying while in the company's employment, and, in exceptional cases, a grant to the widows of employees; and further, to make a present of £5 on their marriage to girls who have been over five years with the company. At the end of the year the balance, after carrying out the foregoing purposes, is transferred to the superannuation fund, to come into operation later on for the benefit of work-people only. It is contended that no injustice whatever is done by this system of what might be called double bonus to select participants, because it is really those who stay in the company's employment who best help to earn the bonus, and not the casual workers, whose temporary service is sufficiently remunerated by the current wages paid them. By careful investment in the company's capital this superannuation fund now amounts to nearly £8,500, and its growth should in ordinary circumstances be now more rapid. In eleven years the bonus to work-people has amounted to over £45,000, showing an average of 8·12 per cent. on their wages. The higher staff, such as travellers, do not share in this bonus. Their remuneration is either by fixed salaries supposed to be sufficient, or is contingent upon their personal exertions.

So far as moral or social results are concerned, or as an educative agency, it would be absurd to claim for this scheme the success that attended Leclaire's, but as regards mere money, the company have distributed more in eleven years than he did in thirty. The number of employees being about two thousand, the bonus to each is not a very large one, but, coming as it does in a lump sum to work-people not overburdened with cash, it enables them to provide useful and necessary things not otherwise within their reach. It is known that it is not squandered to any great extent, and it is certainly not spent in harmful ways, as a vigilant eye is kept on the attendance at work on the days succeeding the distribution of the bonus.

Those strenuously engaged in business—at any rate, in businesses requiring constant watchfulness—have little time left for contemplation and sentimentality, but a certain amount

of satisfaction may be allowed to any one who may have helped a little in this way to add to the sum of human happiness, and especially when this end has been attained at no personal loss. If all the results have not been obtained that sanguine expectation looked for, a foundation has been laid, and, even in the loosely cemented fabric of social and industrial London, hopes for the future may be indulged in.

Confidence is a plant of slow growth, and one should restrain natural impatience and not be constantly examining its roots. It was years before Leclaire, genius though he was, acquired the full trust of his men. The great thing is to try to engender and maintain confidence. Work-people, in course of time, should become convinced of the material advantages accruing to themselves under a system of profit-sharing. By their greater zeal, by saving of materials, and occasionally by giving valuable information, they can materially aid a business; and even although there is no consultative council, yet under a system of profit-sharing there can be no loss of dignity in an employer seeking and listening to the views of his employees, and no presumption on their part in imparting advice likely to promote the general good.

Instead of automata with a natural inclination to take the wrong course should opportunity arise, the profit-sharer should in time develope his work-people into thinking beings, careful of the common interest, and fertile of resource to overcome difficulties and lessen the cost of production. Brains are not the exclusive property of capitalists and their managers. No doubt real genius cannot be suppressed, but under a scheme of profit-sharing it would more speedily develope itself, while ordinary intelligence and industry would have a better chance under such a system of securing earlier and more adequate reward. Many a man locks up brilliant ideas in his breast because of some false notion that his fellows would look upon him as playing into the master's hands, but a profit-sharer could have no object in doing so, as his fellow-workmen would benefit in common. Even in the matter of waste by the work-people, one should not be too soon discouraged, as the habit of waste is

so ingrained and so common in their own concerns, that it is not surprising if it takes time to check the propensity in dealing with an employer's property.

It is generally assumed that trade unions must necessarily be hostile to any system of profit-sharing, however equitable. But why? So long as under it the usual trade conditions are practised, and current wages are paid, with a probability of a bonus to follow, it is difficult to see the reason for any enmity. Common sense is said to be the particular inheritance of the inhabitants of these islands, and working men are endowed with their share of it. It would be futile to suggest any cut-and-dried schemes, but surely such could be devised to work hand in hand with trade unions, and so help to develope the best faculties in both employer and employed, so much needed now that our industrial supremacy is imperilled. The abler leaders of trade unions, without losing their sense of independence, might very quickly develope into captains of industry, for profit-sharing is a system under which brains will assuredly quickly reach the top. Under it the whole social and industrial fabric might be harmoniously and effectively welded together, and elevated by the community of interest and mutual self-respect.

As already stated, it seems largely a question of mutual confidence and goodwill, and the first advances should come from capital. It should be prepared to make some sacrifice, as a slight money loss would be made up to it in the greater sense of security. Even to those who think that management is the all in all for success in business, profit-sharing, if properly considered, should have some attractions. However transcendent the genius, or however overweening the self-conceit of an employer may be, the ablest can do nothing very remarkable in industry entirely unaided, and the human helpers, which such a one might regard as mere tools, might become all the better tools by the hope of personal reward such as profit-sharing offers. The faculties of all, from highest to lowest, would be trained so that they would contribute of their best. And if, instead of bending all their energies to the attainment of mere

ephemeral wealth or to reach a position for self-gratification, part of the exceptional power and talents of born leaders of men were devoted, as they might be under a system of profit-sharing, to the training and encouragement of those who, in their various spheres, are to be left to continue the industrial struggle, both the nation and the world would be permanently enriched.

GEORGE MATHIESON.

THE POSTULATES OF THE MONETARY STANDARD.

PROFESSOR WALKER, in the most lucid and interesting of his books on the monetary problem, *Money in its Relations to Trade and Industry*, furnishes us with an exposition, which has become classical, of the manner in which the standard substance comes to measure values.

“ Given the fact,” he observes, “ of a general desire for one article of uniform quality which is susceptible of easy and exact division, we have all the requirements of a common denominator in exchange satisfied. The effort of every dealer to obtain as much as possible of this one article for each and every part of his stock, the wish of every producer to bring to market the product involving the least labour which will purchase a given quantity of this article ; these must result in ranging all commodities according to the cost of replacing them upon a scale of prices the degrees of which shall be expressed in terms of this one article—money.”

He goes on to show more in detail how the scale of prices comes to be constructed, or rather to construct itself.

“ At first,” he says, “ we will suppose wheat, corn, and oats to exchange for equal amounts of gold ; but the farmers soon find that they can raise oats more easily than corn, corn more easily than wheat, and consequently many farmers bring oats, and much of it. Few farmers bring corn, and little of it ; no farmers at all bring wheat. Why should they ? Hence, as the existing stock of wheat begins to disappear, more and more gold is offered for wheat, until the point is reached when the farmer gets as much gold for a day’s work in raising wheat as in raising oats.”

In the light of this exposition, let us glance at the current view in regard to the nature of the standard of value. Mill, for instance, tells us that any commodity can measure the value of any or of all others. Turning to the word “ Value,” in

Mr. Palgrave's *Dictionary of Political Economy*, under the subheading, "Standard of Value," we find the following:—

"In comparing the values of different commodities, recourse is generally had to the expression of the value of each in terms of some one commodity chosen as a 'standard of reference.' This one commodity serves as a value measurer, the value of any particular commodity being expressed by stating the quantity of the 'standard,' whose value is equal to some definite amount of the particular commodity."

The implication throughout the whole of such a passage is that it is within our power to select any commodity that we please as our standard of value, and that it is a matter of entire indifference what commodity is selected. But in Professor Walker's exposition, as above quoted, we find that the postulate of the whole process of price determination is to be found in the words, "Given a *general desire* for one article of uniform quality, which is susceptible of easy and exact division," etc. Suppose no general desire for any such article had existed, it is not easy to see how money could have come into existence, or how prices could have come to be determined at all. The words "general desire" are indefinite; but when we see the desire at work in determining prices, we see that it implies a great deal; it implies an insatiable desire. Suppose the desire to cease while the price-determining process was still going on, that process would plainly at once cease also. In order that it may go on uninterruptedly in the world, as it undoubtedly does, there must exist the readiness to accept the standard substance in absolutely unlimited quantities, in whatever quantities it is offered. If, however, it is because there is an insatiable desire for gold that gold can measure values, and if there could be no insatiable desire for wheat or oats or corn, as there certainly could not, it is quite certain that wheat or oats or corn could never measure values. It is a very remarkable fact, no doubt, that there should be an insatiable desire in the world for gold, a substance that has little utility, that is beautiful, no doubt, but yet not more beautiful than many other substances for which there is no desire whatever; but there the fact is, and that it is, on the whole, a beneficent fact who can doubt who

considers that if we suppose the desire to cease operating, we should be supposing the mainspring of the whole social apparatus to be broken? How gold came to attain the position of being the object of a universal and insatiable desire in the world is a question on which it would be impossible to enter at present. I have endeavoured to touch on it elsewhere.¹ I propose at present to take the history of the gold standard for granted, and to look at the fact in some of its bearings.

The existence of such a theory as that of the tabular standard well illustrates the nature of the prevalent conception. Without the natural gold standard to begin with, we certainly could know nothing about the price or value of anything whatever. On the basis of this gold standard, however, it is proposed to frame a list of the prices of various commodities, to take their average, and then to substitute this average as a standard for the gold standard itself. But this tabular standard is necessarily a mere secondary product which has the gold standard as its basis all the time. We could surely no more substitute it for the gold standard itself than we could substitute an eyeglass for the human eye, or calculating machinery for the human intellect. Besides, when we look at the postulate of a standard, and consider that it must be something which has become the goal of general effort in the community, we see that the tabular standard altogether fails in that requirement. If we cast our eyes down the list of things that form the tabular standard, we come, perhaps, first to wheat. We all of us, of course, want a certain amount of wheat, but after we have got that certain amount, nothing could induce us to take any more of it at any price. There is next, perhaps, fresh meat or fresh fish, of which it would be entirely impossible for us to take more than a very limited quantity. Of course the conception never entered the minds of those who framed the tabular standard that we should be willing to accept such things in unlimited quantities and to store them; yet that is plainly necessary if the standard is to serve not merely to measure relative prices at the moment, but to regulate the course of

¹ *The Evolution of Modern Money* (Macmillan).

their variations from day to day, and from year to year. The monetary standard is something that requires the motive force of human hopes and fears behind it to make it operative. It would be no more possible to launch in the world an arbitrarily invented monetary standard than it would be to launch an arbitrarily invented religion. Even that, of course, was not thought impossible in France at the end of the eighteenth century. We are told of a member of the Directory, La Revellière Lepeaux, who had elaborated a new religion which was to take the place of Christianity. When he had his draft complete he laid it before the famous Talleyrand and asked his opinion of it, remarking, at the same time, that his only difficulty now was with regard to getting it generally accepted. Talleyrand's reply was that probably his best course would be to get himself crucified, and to rise again the third day. As Lepeaux omitted to take into consideration the necessity of having some motive force behind his religion in order to make any one accept it, so Mr. Scrope and Mr. Jevons and their followers have omitted to take into consideration the necessity of having some motive force behind their standard in order to make any one adopt it. The use of a monetary standard of some sort is a fact indeed in human nature which lies very deep. Without trenching too far on the province of another science, I may be allowed to ask for a moment what is the ultimate test of the reality or objectivity of anything. Kant seems, in one passage,¹ to find it in the fact that the sensation, or group of sensations, which convey the impression of reality are sensations that are open to others as well as to ourselves, and are, consequently, susceptible of exact comparison as between different persons. It is, I should say, of what he calls empirical reality that he is speaking. If we are asked on what grounds we affirm that any outward object is real and not an illusion, we answer, perhaps, that we can touch it or handle it. If pushed again, "may not these sensations be delusive," we answer, "Every one else can touch it and handle it too." If it passes that test then it is real. Why? Because the reality of an object, in the last

¹ *Critique of Pure Reason*, "Transcendental Ästhetic," 1st sect., *ad fin.*

analysis, consists simply in this, that it is something which every one can touch and handle. The conception of reality is thus, I think, based on the fact of intercourse between man and man ; and, in order that we may attain it, there must be some common meeting-ground for our sensations. In the case of outward objects, the meeting-ground lies in the fact that we express by saying that two objects cannot occupy the same space. The objects with regard to which we have the most direct knowledge are our own members. It may be said, therefore, to lie in the fact that I can be quite certain that this threepenny bit, say, is the same threepenny bit for you and me, for this reason ultimately, because I cannot put my finger on it while yours is there also, nor can you put your finger on it while mine is there. That fact, with its extension through vision,¹ is the ultimate fact that bridges the gulf between us, that enables us to be perfectly certain that when we speak of a given outward object, we are speaking of the same thing.

Similarly, it will be found that in order that the idea of value can become anything more than a mere subjective sentiment, anything more than a matter of taste with regard to which there can be no disputation, there must be a common meeting-ground for human desires ; there must, in other words, be some one substance, the acquisition of which is the goal of industrial effort for every one. It seems to me, therefore, that our conception of value, with its scientific definiteness, and its capacity for being expressed in exact figures, is altogether dependent on the existence of money in some shape, and that it would not exist at all in a state of barter pure and simple. It will hardly be denied that the conception of price is bound up with the conception of money, and could not exist without it ; but price again, as the more concrete conception, is plainly the basis of the more abstract conception—value. Both, where money did not exist, would be impossible. Half the difficulties and obscurities of Political Economy arise, I am persuaded, from the neglect of this consideration, and from the attempt to put a forced

¹ I cannot see the same object from the same point of view without displacing you. If I see it from a different point of view it is really a different object that I see.

application on such terms as price, value, and cost that bear a fanciful reference to states of things in which money, by supposition, has not yet come into existence. Mr. Mill, for instance, in set terms, makes the attempt to treat the problems of value up to a certain stage without introducing the conception of money, bringing in that conception as bearing only on the later stages of the investigation.

The theory of value which is popularly known as that of the Austrian school of economists, though practically it was first given to the world by Mr. Jevons, has gained considerable vogue in this country. It may be worth while, therefore, to glance at it in the present connexion. It represents exchanges as always taking place because the possessors of some means of enjoyment are beginning to feel that they have had enough of it, and are beginning to think that some commodity that is in some one else's possession will afford them a greater measure of enjoyment than the use of any more of their own commodity. It seems to me that the possible scope of this theory is very much less extensive than its authors imagine. It has some application to the expenditure of income for purposes of immediate consumption. It is true, no doubt, that the more nearly sated a man has become with any means of enjoyment, the more ready will he be to part with it for something else instead of consuming any more of it. Illustrations of the theory thus are always taken in preference from the expenditure on objects of consumption. One rises from a perusal of them with a general feeling that what is running in the writer's mind is the thought of the mental processes of the idle wealthy man considering on what sort of enjoyments he shall spend his money. Illustrations of it, on the contrary, which are attempted to be taken from business expenditure seem always, to say the least, forced and unnatural; and for this there is a very good reason. Suppose that a man is in the cattle-sale yards, let us say, and that he buys a hundred cows for ten pounds apiece, knowing perhaps that he can sell them for eleven, that purchase surely will not do anything whatever to satiate his need for cows, or, in the language of the school, to diminish their utility for him.

If he sees a second lot of cows going for ten pounds, which he feels sure he can sell again for twelve, he will be even more eager to obtain them than he was to obtain the first lot. The degrees of the utility of cows plainly do not vary for him in proportion to their supply. Indeed, the utility of cows to him has nothing to do with the matter. Cows are a mere intermediary. The real aim of his purchase is to increase his ownership of gold. It is because his desire for gold is unsated that he is in the yards at all ; and as long as he continues there, or continues to be engaged in business of any sort, we are justified in taking it for granted that his desire for gold has not even begun to be sated. The absence of satiety as regards it is the very postulate of all business activity.

The Austrian theory is based on the supposition that in all exchanges it is variations in the degree of desire for something that causes these exchanges to be made. The truth is, on the contrary, that in all the sales and purchases of business and production desire must be looked upon as a constant quantity. Men go to their places of business every day with the one fixed intention of making as much money as they can while there. What varies is intelligence as to the state of the markets, or opinion as to the wisest course to pursue in order to attain their end. The varying element is, at any rate, something that belongs to the sphere of the intellect, not of the will and the emotions, to the cognitive, not to the conative, side of our nature as the Austrian theory assumes, and this radical error in its foundations must necessarily, I think, render valueless any possible superstructure.

The theory, indeed, seems only to fit in quite appropriately with the desire of pleasure as an impulse in human action, and not with the fear of pain, discomfort, disgrace or death ; and this last impulse, as the world is constituted, is by far the more common of the two. Whenever exchanges are effected, the object of which is to secure provision against any of the manifold evils that may threaten our comfort, our health, or our position in life, it becomes at once difficult to apply the diagrams and the phraseology with regard to the successively diminishing degrees of utility in connection with them. I do not mean to

say that it is wholly impossible to do so. By straining the use of language more or less, it can, perhaps, be done. But when we once begin to strain the use of language, the question always arises, where are we to stop? By straining the meaning of the words "wages" and "capital," Mr. Henry George arrives at the surprising conclusion that "the payment of wages in production, no matter how long the process, never involves any advance of capital, or even temporarily lessens capital,"¹ and Dr. Von Böhm Bawerk arrives at the hardly less surprising one that "capital never replaces its own value with a surplus."² Such conclusions, however, should really be regarded as serving as reductions to the absurd of the lines of argument that led up to them. I am persuaded that in economics, as in all the moral sciences, the Cartesian maxim that nothing must ever be received as established except that which "is presented to the mind so clearly and distinctly as to exclude all ground of doubt"³ holds good, and that whenever we begin to forsake perfect lucidity of expression, we are already well on the road towards fallacy of thought.

So far, I have taken it for granted that gold and real money are convertible terms, and so, in a very true and important sense, they are. At the same time, we well know how very much wider is the sphere of money than the sphere of gold, as also, to how great an extent the operations of sale and purchase can be carried on by money in this its wider sense without any active participation in the matter by gold itself. How are the two facts reconcilable? Is it possible for us to arrive at anything like a true conception of the real relations between gold and money, to understand clearly for what purposes they must be regarded as identical, and for what purposes they must be looked upon as distinct? Gold itself we have certainly to take as our point of departure. We must begin with the great fact that for it there is in the modern world an insatiable desire. We have next to recognize the fact that the ownership of gold, as of other things, has become transferable by document without

¹ *Progress and Poverty*, p. 46.

² See Palgrave's *Dictionary of Political Economy*, vol. iii. p. 220.

³ *Discourse on Method*, p. 61, Veitch's trans., 5th edit.

actual delivery of the substance itself. That seems so natural a state of things to us nowadays that we may forget that it did not always and everywhere exist. Under primitive civilizations, as we know, property could not ordinarily be transferred without actual delivery. In early Rome, indeed, as Sir Henry Maine points out, it could not be transferred without an elaborate ceremonial accompanying such delivery as well. Out of this fact of transferability by document, however, has been evolved a second important characteristic of the standard substance, its unlimited replaceability by other substances for the purposes of money. We may set down, therefore, the transferability of property by document as the second great postulate of the monetary standard, as we find it in operation in the modern world.

If we wish to be perfectly accurate, then, we should have to say that what money is identical with nowadays is not actual gold itself, in the flesh, but it is the ownership of gold ; it is the immediate right to actual gold on demand, whenever it is wanted ; and the remarkable fact is that if a man has this right, if he has a document securing to him effectively the immediate possession of a given weight of gold whenever he asks for it, the chances are a hundred to one that he will never ask for it at all. The document conveying the right to the gold will, for him, serve every purpose which the actual gold itself could serve. Not only will it be a perfect substitute for the gold, but for many purposes ; it will be a preferable substitute, as its transference again to other people can be effected much more easily and cheaply than the transference of gold itself could be.

In all theories of demand and supply, however, it has to be recognized that fluctuations in the supply of substitutes for any commodity will affect its value just in the same manner as fluctuations in the supply of the very commodity itself would affect it ; and, thus, it is certain that fluctuations in the supply of bank-notes, cheques, and bills of exchange act on the monetary value of gold in the same manner as fluctuations in the supply of gold itself does ; and, as the volume of the substitutes for gold is so enormous as compared with the volume of actual gold, the effect of fluctuations in the supply of the latter are

necessarily reduced to an indiscernible quantity. This, however, must be taken with the proviso that the documents purporting to convey the immediate right to gold on demand do really and effectively convey it. Let there be the least doubt thrown on the certainty that so much gold can be obtained at will for the documents that purport to convey the right to it, and these documents at once cease to serve as effective substitutes for gold. Nothing, then, but actual gold will serve the purposes of those who possess the rights to its ownership. So it comes about that legislative attempts to increase the volume of money, by enacting that such documents shall be legally discharged by payments in something else than gold—in silver, for instance, instead of really increasing the volume of money, at once cause it to shrink portentously. This was seen very conspicuously, for example, in America, in 1893, when the mere threat of such legislation caused a rush for gold that threw all business into confusion, and put back the progress of the country for years. We have been told by Mr. Jevons (*Money*, p. 136) that if we regard gold and silver as two reservoirs, each subject to their own fluctuations, due to the separate influence of supply and demand on each, we should find that by opening a connecting pipe between them—that is to say, by fixing a ratio between the metals, the fluctuations in both would be reduced, as the effects of any excessive supply or demand would be distributed over the area of both reservoirs. The fact is, however, that by the maintenance of the gold standard absolutely inviolable, we most effectively open connecting-pipes, not only with the adjoining cistern called silver, but with that called copper, with that called wheat, with that called iron; indeed, with every commodity or security that has a definite value expressible in figures. All are brought together into the almost boundless reservoir called money through the machinery of bills of exchange. An English manufacturer turns out, say, twenty thousand yards of calico shirtings, worth, perhaps, twopence a yard. He despatches them to his correspondent abroad, and at once draws a bill against them for £160, or thereabouts, which he forthwith proceeds to discount. The amount is placed to his

credit, and becomes "money" for him in every possible sense, and for every possible purpose. It increases his purchasing power exactly as much as £160 in sovereigns would increase it. If his fancy leads him to spend the amount on the purchase of a horse, his competition for horses will tend to raise their price just as much as would the competition of a gold-digger who had unearthed a nugget weighing forty ounces, or thereabouts, and had had it coined into sovereigns. What is it, then, that is really, in such a case, money? The bill of exchange and the bank deposit are evidently mere intermediary machinery. The true money, the true source of purchasing power is the calico shirtings, the manufactured product. If its quantity or its market value were doubled, the purchasing power of its owner would be doubled too, and the effectiveness of his competition in raising the prices of anything in the market which he proposed to buy would be proportionately altered. In endeavouring to interpret the causes of the fluctuations of prices, therefore, it is plain that we must not confine our view to fluctuations in the available amount of the one substance, gold. The truth is rather that, as, in the sphere of physics, the movements of every particle of matter aid in determining the movements of every other particle, so, in the sphere of economics, the movements in the price of every commodity exert an influence imperceptible, for the most part, no doubt, but yet real upon the price of every other commodity.

If this view of the gold standard and its mode of operation is a valid one, then we must conclude that it really fulfils, to a great extent, the ideal that framers of systems of multiple tender have had before their minds. The reflection is, therefore, a striking one that the love of gold, which is the central fact of the whole system, appears to be based ultimately on a feature of human nature that we are ordinarily disposed to regard as frivolous, the desire for ornament. Taking that as his basis, the Intelligence that guides our destinies has reared a super-structure that, in the interesting complexity of its adaptation of means to ends, may well bear comparison with such other products of evolution as the human ear or the human eye.

WILLIAM WARREND CARLILE.

“WHATEVER IS, IS RIGHT.”

“**T**HREE is a social question ; something wants doing.” This statement is axiomatic with the Christian Social Union. The words, which stand as the title of this paper, are its antithesis. The temper of which they are the appropriate expression is fatal to social effort. In a recent issue of that very respectable newspaper, the *Guardian*, occurred the following criticism of a communication to the *Times*, which had received the benediction of a leading article :—

“Canon Gore’s letter, on which we commented last week, elicited a reply from Canon Knox Little, of which we feel bound to say that, both in its personalities and in its conviction that whatever is is right, it seems to us scarcely worthy of him.”

With the letter in question I have nothing to do. But its subject was the concentration camps in South Africa, and the *Guardian* could not more exactly have described an attitude which unhappily the moral and spiritual teachers of the nation have not been the last to adopt, and which is crippling all efforts of progressive reform. The feebleness of the programmes issued by either party at the recent municipal elections, witnesses to a deadness of the social conscience which has not been paralleled for the last fifteen years at least. Here in Leeds we have Conservatives posing as the “true progressives,” because they have widened a few streets in the centre of the town and done something with the gas, while Liberals gravely assert that in solving the housing problem the leading element is cheap tramway fares. No one has much to say about temperance. Leading men of business and mild philanthropists assemble in mayors’ parlours and form public-house trusts. Meanwhile the liquor interest increases its influence on city councils, and no

one seems to heed. Parliament meets and does nothing serious except vote millions for a war, whose continuance is very serious indeed. The clergy get their grants for church schools and go contentedly to sleep, or speak at missionary meetings concerning what they call the "Church's Imperial Vocation." The Services get glory. Business houses secure contracts. Whether it is really well with the great masses of the people is quite another thing. Another generation, it may be, will have to deal with the arrears. Meantime "we hold a vaster empire than has been." What grander prospect than for the sons of "the poorer classes" to go abroad in Herbert's troop or Freddie's company, while Maud and Marion administer the war funds to their sorrowing relatives at home! One more cheer for the flag! Hurrah!

I am no foe to imperialism. Nothing can be more certain than the need of our expansive people for room enough to grow in. And I am ready to echo every word of the late Bishop of Durham's splendid appreciation of the benefits, not only for this nation, but for the whole world, which ought to result from the welding into one of the peoples who glory in the British name. The word Empire is indeed dangerously secular and pagan in all its associations from Julius Cæsar to Napoleon III. But the thing may be redeemed from the curse, if, with Dr. Westcott, we can rise to the belief that—

"the prospect of increased power or material advantages, though it may assist in a secondary degree in creating or maintaining an empire, does not belong to the essence of it."

But what serious thinker will deny, as he views the actual state of public opinion, that a considerable power of idealization is required in order to define imperialism as—

"the practical advocacy of a fellowship of peoples with a view to the completeness of their separate development, a wide federation for the realization in the members of their special character."

The unfortunate thing is that in practice this truly sublime ideal is too large for the ordinary mind to grasp. Imperial patriotism is developed at the expense of a social ideal, of that

"divine discontent" which issues in reform, of acquiescence in money-getting, in company-promoting, in the love of luxury and leisure, in the comfortable assurance that "whatever is, is right." I do not ignore the other side. The tendency of the social idealist is to "kill the goose that lays the golden eggs" by letting slip the opportunities which make progress possible, and, in his eagerness to reform his country, forgetting that he must have a country to reform. But this is not the danger of a nation that is giving a solid support to a policy which, whether justified or not, must result in imperial aggrandizement.

This paper is not meant to be a criticism of the war in South Africa. Let it not be so understood by any who read it. To extricate the various strands in the tangled web of a diplomacy whose failure has produced the deplorable conflict of races, which is now dragging out its weary and disastrous length to an ill-defined and uncertain conclusion, is a work which will probably remain impossible to the present generation. It is not the war, but the temper of the country, the economic and moral effect of which I wish to emphasize. It is the complacent belief that there can be no doubt whatever as to the absolute rightness of the Briton and the unqualified unrighteousness of the Boer, which is working all the evil. Nothing can testify more surely to the ascendancy of the middle class in the counsels of the country than the vesture of religion with which this complacency is arrayed. To some who, whatever their final decision may have been, remember that at best their attitude towards the war is the result of a balance of considerations, there is something inexpressibly painful in being compelled to listen to sentiments delivered from Christian pulpits which only a war undertaken for a purely philanthropic and unselfish end could justify. It is not only the so-called pro-Boer who ought to resent expressions of opinion such as the present writer has heard from the lips of dignified and responsible clergymen—as that this nation is the magistrate bearing not the sword in vain, or that the war might be regarded as a holy war for the emancipation of the South African native! No one would desire to minimize the heroism and self-sacrifice of men who have been

allowed to know the joy of the Horatian maxim, that sweet it is to die for the fatherland. But is it absence of humour that has put into our mouths that extraordinary prayer in which we have been bidden to inform our Lord God Sunday by Sunday that the troops have gone forth "for the deliverance of the oppressed, and the maintenance of justice between man and man"? When we read the reports, industriously circulated by the daily press from the outbreak of the war, of the brutalities of "our friends the enemy," we can admire the genius of the Hebrew prophet who at least gained a hearing for his message by reminding his audience how Damascus had threshed Gilead with instruments of iron. What is the meaning of this extraordinary incongruity, this perverted application of religion? Days of humiliation and prayer have been rejected. Volunteers have been sent out to the strains of "Fight the Good Fight," or "Onward, Christian Soldiers," which have no peculiar appropriateness to the business in hand, unless they may be supposed to contain an oblique reference to a warfare whose weapons are carnal. I speak of the Established clergy because I know them best, but Dr. Horton's assertion, that there are probably more "pro-Boers" among them than among Non-conformist ministers, is significant.

Once again let it be said that I am not lamenting the fact that the national policy has not been denounced from the pulpits of the land. What I do say is that, as it seems to me, one of the saddest factors in the present condition of things is the failure, the signal failure, of the spiritual guides of the nation as a body to grasp the necessities of the situation. Weighed in the balance of a great opportunity, they have been eager to exploit the possibilities of the war for religion and the Church. The influence which they have exerted in the direction of modifying the public temper is inappreciable. And when we think what that temper is, we need no more wonder at the stagnation of opinion which hinders progressive legislation, which paralyzes the general interest in all social questions, and which has produced the findings of the potteries' commission, than look for the spirit of reform in the pious grocer who called to his

apprentice to sand the sugar, water the treacle, and come up to prayers.

Then there is another point which ought to cause serious uneasiness to those who have a genuine interest in social reform. To the man who believes that there are no economic questions, who imagines that the housing problem can be settled by cheap tramway fares, and who finds in the envy and discontent of the lower classes the only cause of social difficulties—to such a man there will be no bitterness in the thought that, even though this unhappy war was forced upon us and the empire had no course but to accept the struggle, still the fact remains that in South Africa we are playing the game of the financiers. Even if the war had been what the hostile critics allege, a financiers' war, it could not have suited their book better. The man who has no motives save those which have been freely attributed by foreigners to the nation at large is bound to be on the same side as the majority. The object of these gentlemen is certainly not the development for their own sake of the native races. Nor have we any reason to suppose that, if it had been a losing game, they would have developed a mighty enthusiasm for truth and righteousness. It was not in financial circles that a few years ago was found that burning indignation against the tyrants of Armenia which, because it lacked this support, was almost barren of results. This is the irony of the situation. Many of us are forced to choose between repudiation of a national decision which, in view of facts, it is difficult to condemn and which all the loyalty and love of country that is in us would fain justify, and identification with a national policy which cannot but rivet those very chains of respectable middle-class commercialism which are more fatal than any other to what we believe to be the best interests of the nation. It is all very well to talk—as many of our moral and spiritual leaders do—about the luxury of the age, the love of wealth, pleasure, and all the rest of it. All this is absolutely useless so long as in public policy we have to form up behind the financiers. But that is what we are doing. The marked favour conferred upon men of this class by illustrious personages; the doubt which

must always prevail, so long as the *personnel* of the Cabinet remains what it is, as to how far financial ideas have weight in that inert body; the facts which unhappily are only too well known with regard to the influences that dominate the daily press—these things make it certain that, however just the origin of the war, its consequences must be the cause of grave anxiety to social reformers.

What we want is a strong party—or, better still, a large section in each political party—which, while it is content not to reopen the question of the origin of the war, but to make it plain to our gallant enemy that we do not intend to stop until they unconditionally acknowledge their defeat, will unhesitatingly demand, on behalf of a large body of liberal and chivalrous opinion, that South Africa shall not be surrendered to a faction which is the *fons et origo mali*. If Krugerism is to go, let Mr. Cecil Rhodes, with his big ideas of non-moral empire and the cash which they need to carry them out, find his way to the same limbo. Meanwhile, let us restrain this unseasonable talk about the consciousness of empire and national destiny, until we have answered the question whether we are to be prospectors for gold and diamonds or fishers of men.

J. G. SIMPSON.

THE FUNCTIONS OF A UNIVERSITY IN A COMMERCIAL CENTRE.¹

I PROBABLY owe the honour of being allowed to address you this evening to the fact that I have spent a good many years of my life in the study of the mediæval universities. Yet the subject upon which I am asked to address you is not the question what universities have been, but what they ought to be, and especially under conditions which may seem to be as remote as possible from those under which the universities of the Middle Ages grew up. I am asked to help you to think what should be the ideal of a university erected in a great manufacturing town, and intended to be in the closest possible relation with the industries of that town. I am painfully conscious that acquaintance with the intricate details of university constitutional history is by itself a very poor qualification for suggesting anything that can be of the slightest value to those who, as organizers, as teachers, or as students, have in their hands the building up of a new university. The purpose for which an institution is founded is often very different from the purpose which it actually comes to serve. Nothing is more fallacious than the argument from origins. We are told by a great anthropologist that, so far from the invention of clothes having been due to a sense of decency, the sense of decency is the ultimate outcome of a habit due, originally, to very different motives. It does not follow that it would be a moral advantage for a modern community to abandon the use of clothes. The original conception of a juryman's qualification was that he should represent the feeling of the neighbourhood, and be likely

¹ A paper read to the Socratic Society at the University of Birmingham, and to a meeting at the University Club, Liverpool.

to know something about the facts of the case. At the present day, we regard it as a disqualification if a juror does know too much about the case; and, if he is likely to reflect too accurately the feelings of his neighbourhood, the venu is changed. The actual origin of the institution now known as a university must be sought largely in local and temporary accidents. The foreign students of Bologna organized themselves into clubs to protect their lives and liberties against the municipality of the city in which they sojourned. The masters of Paris organized themselves into a somewhat similar club, largely to assert their independence of the Cathedral chancellor from whom they had to get their licences to teach. They elected rectors or proctors, we are told, *ad injurias ulciscendas*. It would be absurd to set about inquiring the true functions of a university in Birmingham or Liverpool by asking who are the enemies on whom you have pledged yourselves to take vengeance. Great institutions are always inspired by an ideal of some kind, but the ideal to which they actually owe their existence is not always consciously present to their first founders' minds. The ideal grows as the institution grows; and, it is well to remember, the ideal is very often one which could not exist without the institution, any more than the institution could exist without the ideal. Institutions are, as it were, the incarnation of ideals, and the institution develops and modifies itself as the ideal develops and modifies itself. The ideal of an institution in the present is not always the same as the ideal of its past. But, after all, the ideal of the past may often help to draw out and suggest the ideal of the present. It is impossible to occupy oneself with the study of the universities in the past (especially if one is actually engaged in university teaching) without asking oneself sometimes how far the ideal which they represent is one which can in any way inspire us in the present; and therefore I hope I may be excused if I make a few reflections on the past history of the institution a peg, so to speak, on which to hang a few suggestions for the present.

What, then, was a university in the past? A "studium generale" was originally a school of more than local reputation,

a school attended by students from all parts, giving instruction upon some one or more of the highest faculties or subjects. The earliest universities grew up in a perfectly informal and spontaneous manner. Later they obtained charters and privileges from one or other of the two great ecumenical authorities in the mediæval world—the pope and the emperor,—and particularly the privilege that their graduates or authorized teachers should be allowed to teach freely, without further authorization, in any other studium generale. This *jus ubicumque docendi* became the essential *differentia* of the studium generale. Thus we may say that public authorization and the right of granting such public authorization to individual teachers was a characteristic note of the institution from the first. It was also, with very few exceptions, a rule that one at least of the higher faculties—theology, law, medicine—must be represented in such a studium with or without the inferior faculty of arts or philosophy. And even the faculty of arts represented a course of higher studies—all that constituted the liberal education of the time as distinct from the mere schoolboy training of the grammar school. It is a note, then, of the university that it imparts an education of the highest type. It is, indeed, historically, a mistake to suppose that the word “universitas” meant a “universitas facultatum,” a school in which all the faculties were represented; or that “studium generale” meant a place of general or all-round study. One of the most famous of early mediæval universities, that of Salerno, was a school of medicine only. The great University of Paris was, during the greater part of its history, without a faculty of civil law; while in the Italian studia the different faculties formed quite distinct and independent universities, united only by the necessity of getting their degrees from the same chancellor. But the blunder itself, which is as old as the sixteenth century, testifies to the growth of this great and stimulating ideal—that a university should be a school in which every branch of higher education is taught and studied in harmonious co-operation with every other branch; that it should represent, as it were in microcosm, the whole range of human knowledge; that it should be a place, to use

the late Professor Huxley's expression, where, whatever a man wants to learn, he may find some one able to teach it him.

There is one more characteristic of the mediæval university which I will note. The "universitas," as distinct from the "studium generale," meant the corporate body, as distinct from the place or institution as a whole—the guild of students in some places, as at Bologna, where the mere professors groaned under a student-tyranny of which their modern successors cannot read without a shudder; or as at Paris, the guild of masters, who there succeeded in holding their own against the students. The mediæval university was, then, a self-governing corporation. More or less control was exercised over it from time to time by various authorities in Church or State—pope, king, bishop, municipality; but still a certain measure of autonomy the mediæval university always possessed. It never became—except, indeed, in Frederick II.'s singularly undistinguished University of Naples—a mere department of the State.

There is one more characteristic of the university of which, though the full idea of it is modern, the beginnings can be traced in mediæval times. We can hardly talk about "research" in connexion with a mediæval university. The subjects which that word most naturally suggests, experimental science on the one hand and history on the other, were precisely those which flourished least in the mediæval university. The man who dabbled in alchemy and the man who inquired too curiously into the early history of the Church were both of them apt to get into trouble. But still, if for research we substitute the word "advancement of knowledge," we shall express what was emphatically one of the functions which the mediæval university discharged. In their best days, at least, they were always laboratories of ideas, places where new thoughts, new discoveries, new methods were originated and welcomed. It was in the universities that knowledge was made as well as communicated. The university is a place of study and enquiry and discovery, as well as of tradition and education.

Now, I do not say that, because the mediæval university was

all these things, the modern university must be all these things too. But still, I think, this enumeration may help us to discern and bring into clear consciousness the ideas which we in modern times attach to the institution, and the ideal which we should have in our minds in any extension of the university system. A university is no longer, indeed, in the old sense, international: a British university degree is very far, I fear, from commanding world-wide respect. The idea of authorization by the State has taken the place of authorization by the pope or the emperor. And yet we ought surely to bear in mind that universities are institutions which do exist everywhere. We should try to secure that everywhere the university should represent, as far as may be, the same type of teaching and education—that everywhere the university teacher and the university student should not fall below the standard which the world in general recognizes as belonging to the university as distinct from the secondary or the technical school. The university is, then, an educational body recognized by the State, and empowered by the State to grant a certain recognition to students who, after examination, have been found to attain a certain degree of proficiency. It is a place of education of the highest type. It is an institution which aims at representing as far as possible every great department of human knowledge, and at bringing those who teach and those who study those various branches into relation with one another. It is an institution which possesses a certain degree of autonomy. It is a place in which study and research go on hand in hand with teaching, in which the imparting of old knowledge is closely associated with the discovery of new. Public authorization and the power of giving it, education of the highest type, education in a wide and varied range of studies, a measure of autonomy, the union of study and research—are not these the notes which you desiderate in a university?

And may we not say that every one of these contains something of a warning? The multiplication of universities is in itself, within limits, a good thing. New universities bring university education within the reach of localities, of individuals,

and of classes, which could not otherwise enjoy them ; they multiply and increase the order, so deficient in England, of professional scholars and men of science ; they introduce other ideals of culture and of life into communities apt to be too exclusively absorbed with the material side of things ; they vary and diversify the education which is apt, when one or two universities enjoy a monopoly, to run into grooves. But the great danger of such a multiplication is that of lowering the qualifications for a degree ; of competing for students, not by the efficiency of their instruction or the distinction of their professors, but by the facility of their examinations. And that involves a lowering the whole conception of a university education. The history of universities from the Middle Ages downward supplies abundance of illustration ; even in the Middle Ages there were universities that had the reputation of "refugia miserorum"—refuges of the destitute. Italy still suffers from the excessive number of universities which the rivalry of its semi-independent cities and princes brought with it in the Middle Ages. America has suffered from the ambition of secondary schools to be dubbed universities and colleges. It may seem a small matter whether a particular institution bears a particular name or not ; and whether a horde of half-educated boys are or are not allowed to style themselves B.A. But names stand for things. To call what is not the best by the same name that you give to the best tends to make people contented with the inferior article. I have not the slightest reason to believe that the multiplication of universities in this country has actually brought with it any such results. But there may be such a danger in the future—all the more so, perhaps, because the standard of the ordinary pass degree at both the oldest universities, though perhaps not equally in both, is, to say the least of it, none too high.

There is one other of the ancient notes of a university on which I will insist. It must be autonomous ; it must be allowed, within limits, to govern itself : and by the "it" should be meant a really academic body. The teachers, as a body or organized in separate faculties, by themselves or by their elected

representatives, should be allowed at least a large share in its government. Some external control may be a good thing—particularly with smaller university bodies. In the Middle Ages municipalities were the most munificent patrons of universities, and among the most intelligent nominators to university chairs. But then they always took counsel with the university authorities, and left the management of details entirely to academical bodies.

Such, in very brief outline, is the ideal at which every university should aim. I now go on to ask the question, "How far is such an ideal compatible with the special aims which practical men have before them in promoting the foundation of a university in a great centre of industry?" How far can the direct improvement in the efficiency of commerce and manufacture be made one of the ends of a university? What modification of the older machinery and the older ideal is necessary, and how far can they be combined with faithfulness to what is essential and permanent in that ideal?

1. Let me say something as to the question of constitutional machinery. Nothing strikes one more forcibly, in studying the mediæval universities, than the way in which they combined extraordinary variety and adaptability with a certain uniformity of type, or rather with the steadfast adhesion to two or three great typical models. There were certain offices, faculties, degrees, which you would find everywhere; but new faculties, degrees, offices, institutions were developed with changes of place and circumstance. I would suggest that this should be borne in mind in the shaping of new university organizations. Primarily you must be guided by practical considerations. You must invent offices, names, titles, organizations, machinery, to suit new needs and new circumstances. But still, I would plead, it should be remembered that the university is an ancient institution, an historical institution, a world-wide institution. I would plead, therefore, for the preservation of historical continuity. Retain as much of the old traditional organization—yes, even its ceremonies, its picturesque survivals, and its symbolic ritual—as you conveniently can. When you

innovate, do so, as far as possible, on the lines which other universities in other parts of the world have adopted. As an instance of the kind of historic solecism that I should like to see avoided, I may mention the adoption by some universities of the title "Master" and "Doctor" in the same faculty, whereas in all previous universities, English and continental, "Master" and "Doctor" have always been alternative titles for the same thing. If a rank were wanted intermediate between Doctor and Bachelor, mediæval and modern French usage would have suggested the title Licentiate. The matter is a trifle, but it is a symbol, perhaps, of things a little more important.

2. We approach the main question which, I take it, is raised by the institution of such a university as yours. In what relation ought the universities to stand to the professions, the commerce, the trade of the country? How far is the university to be a place of professional and technical as well as of liberal and general education?

Now let us look at the way the universities have answered this question in the past and in the present. All through the Middle Ages the universities have been very largely places of professional education. The faculty of arts was always recognized as being preparatory or introductory to the three superior faculties of theology, law, and medicine. Even if we put aside the faculty of theology, as not being professional in the same sense as the other two (since theology, in its mediæval usage, was the complement and completion of philosophy and of science), it will remain true that the universities of Northern Europe were largely occupied with the professional study of law and to some extent of medicine; while in the southern universities the liberal studies were entirely overshadowed by these two professional faculties. And at the present day, if we look beyond the old universities of Oxford and Cambridge, we find everywhere that the universities are mainly occupied with qualifying men for professions. In France and in Germany there are, indeed, professors of everything—of ancient and modern languages, of philosophy, and of a host of useless sciences (I use the word "useless" as a compliment); but the students of those subjects

are, for the most part, either those who take them up merely as ancillary and auxiliary to the work of their own profession, or with a view to teaching them afterwards. Thus, in Germany, the men who attend the professor of philosophy's lectures are, I believe, a handful of special students of philosophy who aim at becoming professors, and a large body of students of law and theology, who are required to take a certain number of philosophy lectures during the early part of their course as the proper preparation and foundation for their special studies. The great mass of students at a German university go there to learn the profession by which they will afterwards gain their living. The only students of useless knowledge—classics and the like—are the one class to whom liberal education is identical with professional education, *i.e.* the schoolmasters. Oxford and Cambridge—together with, in a lesser degree, other British universities—are the only universities in the world in which the bulk of the students are engaged upon studies which have no direct and immediate bearing upon their future profession. Now, I look upon this state of things, not with regret, but with pride. It is, amid many and grave deficiencies, the distinguishing glory of our old universities that they do impart a liberal education—an education that develops mind and character for their own sake, and without reference to the work of any particular profession. And I think it would probably be found that the successful men who have gone through this training—our great lawyers, our leading clergy, our government officials, and our public men—are characterized by a width of intellectual interest and a freedom from official or professional narrowness and pedantry, in which they will compare favourably with the corresponding classes elsewhere. I will not ask now what is the price they pay for these advantages—how far our law is over-technical and chaotic just because judges and lawyers have spent their time at the universities writing verses or speculating about the Absolute instead of studying their own subject scientifically, how far our theology and our pulpit teaching suffer from the ignorance of scientific theology among the clergy, and the like. I will only point out that such a course of professionally useless higher

education is an extremely expensive luxury. In no country in the world does the university-educated class constitute so small a proportion of the whole population. The universities educate not all the barristers, but a small proportion of the solicitors, little more than half of the clergy, and (even since medical education became possible at Cambridge if not at Oxford) but a small fraction of the medical practitioners in this country. For the great mass of professional men the choice is between a university education which shall train them for their profession, and no university education at all. Since the small class which can afford the luxury of continuing their general education up to twenty-two or twenty-three is already provided for, it is clear that the new universities must largely lay themselves out to supply an education which will directly fit men for professional work.

Now let us ask whether there is anything in this which is in any way derogatory to the dignity of a university or inconsistent with the high ideal which we have set before ourselves? It has not, we have discovered, been generally thought so. And why not? Because these learned professions, as they are called, are based upon sciences of the highest kind, sciences worth knowing in themselves, and bringing into activity the highest powers of the human mind. It is only on certain conditions that a professional study has a proper place in a university course. Those conditions are, I should say,—

(1) That either in the university itself, or before he enters it, the student should already have gone through an adequate course of liberal or general education.

(2) That what is to be taught should be rather the sciences or branches of knowledge upon which the professional craft is based than the craft itself—the theory that lies at the base of the profession rather than the actual exercise of the profession; and that these sciences should be sciences of high educational value in themselves, *i.e.* that they should not be branches of merely elementary knowledge which should have been learned at school, or branches of knowledge which do not educate.

In practice, of course, these distinctions may be hard to draw. It is obviously convenient that students of medicine should learn the technical part of their craft—how to bind up a wound or to perform an operation—at the same time that they are learning physiology, and the theory of medicine. But this, I should submit, is a mere concession to practical convenience. It is the connexion of medicine and surgery with important branches of knowledge which justify their position in our universities. If they implied nothing but the bandaging and the operating, I should hold that they would be as much out of place in a university course as the art of nursing or the art of shaving.

(3) They must be taught in the broadest and most philosophical manner that they admit of, with the utmost possible reference to general principles, and to their relation to other branches of knowledge, and in such a way as to afford the best possible intellectual training that they are capable of affording, as well as with a view to their future professional utility. Thus, if law be taught in a university, the student should learn the general principles of jurisprudence and legislation as well as particular legal systems. He should study the great classics of Roman law—in themselves a literature of the highest type—though they may be of little direct use to him in his chambers or in court. And English law should be studied in its connexion with English history, and with reference to its general principles, not as a mass of disconnected and arbitrary rules and decisions. The mere technique of the profession—the drawing of pleadings and the conduct of a case—it would be inadvisable, as it is fortunately, I suppose, impossible, for a university to teach. So, again, modern languages are a very proper subject of university education. But then it should be the finest literature of the language that is taught, its grammar and structure and style, as well as its conversational use. To teach waiters the vocabulary of the Salle-à-manger, as is done by the schools which are formed for that purpose during the winter months in Switzerland, would not be among the true functions of a university.

Now, the real problem which lies before the modern university of the type which you represent is, I take it, this. Admitting the principles on which it has generally been agreed to accord the learned professions a place in a university curriculum, how far will they justify the extension of university teaching to other callings—to commerce, to manufacturing industries, to trades? Very varied knowledge and experience would be required to answer this question in any detail—knowledge and experience of a kind to which I, of course, have not the slightest pretension. But I should fully be prepared to believe that on the principles on which law and medicine are admitted within the circle of universities, a large part of the training requisite for many other professions and callings might also be very well carried on in a university. And it is obviously of the utmost importance that men should be educated for as many occupations as possible in the universities, not only with a view to those occupations being carried on in the most effective and intelligent manner that is possible, but also in the interests of culture and general education themselves. It is well that as many men as may be should be taught what they want to know in the most liberal and thorough manner that is possible; that we should extract, so to speak, the maximum of general education, the maximum of intellectual development and stimulus, out of the specialized education to which the requirements of a man's profession compel him to devote himself. And to do that is just what universities are for. I would only submit that before a new branch of professional or technical education is admitted within the circle of university studies, it should be rigidly required to satisfy the canons which I have laid down.

To say exactly what subjects will satisfy these tests would be quite beyond my province, but I will venture to suggest a few illustrations of the way in which these principles might be applied. To teach a man how to brew with the bare minimum of chemical knowledge which will enable him to brew, is no part of the business of a university; but it is eminently desirable that men who are going to learn to brew should undergo a really scientific course of chemistry and some biology in a

university. There is no harm in their receiving in addition a practical instruction in the art of brewing, provided this is merely by way of addition or supplement to the really scientific part of their course. I would venture to insist once more upon the further condition that the men should be liberally educated before they specialize even upon chemistry ; and, if it were possible, that in the early part of their university course some measure of general culture or literature or a little philosophy—at least, in the form of elementary logic—should form part of their work. So, again, it is quite fitting that a student of agriculture should learn chemistry, geology, and vegetable physiology in a university ; and there is no harm in his learning also the practical applications of these subjects to agriculture. But, if a faculty of agriculture is to mean merely the practical application only, together with such little fragments and smatterings and snippings of various sciences as will be directly useful to the practical farmer, I should say, " Let him learn the business as the pupil of a land-agent, or at a special agricultural college ; a university is not for that sort of work."

Or, if we turn to commerce, the first requirement of commercial life in these days is, I suppose, a knowledge of European languages. Well, once more I should say, " If you want your students to teach French and German as the accomplished and obliging head waiter of a Swiss hotel taught English, the university is not the place for such teaching. But if you want them, besides and in the process of acquiring the knowledge that will enable them to write letters about invoices and bills of lading and the like, to acquire the culture that the language of Goethe and the language of Pascal are surely capable of affording, then the practical utility of these languages is no objection to their finding a place in a university curriculum." It is quite beside the point to ask whether a higher culture might not be acquired by the study of Greek and Latin. At present that is probably the case, partly because of the unique position of Greek literature and philosophy in human thought, but much more because of the long tradition which still attracts a majority of the ablest teachers and the ablest students to these tongues. A

small modicum of Latin, not of Greek, I hope, all universities will insist upon—in as many classes of students as possible, if not in all—because it is, to say the least of it, one of the best ways of teaching people to understand the educated speech of their own country. But the great majority of men intended for commercial life simply cannot afford to spend many of their adult years on subjects which are of no use to them. The question is, which is better—that they should learn a smattering of Greek and Latin too small to be of much use for purposes of culture, and then afterwards acquire a smattering of French and German quite inadequate for purposes of business, or that they should combine business and culture by acquiring a thorough knowledge of the language and some real acquaintance with the literature of those two countries? So, again, political economy is eminently a subject which is capable of affording the highest training in the power of abstract reasoning, and which would also be of extreme value, though perhaps somewhat indirect value, to men engaged in the higher walks of commerce. Economics would naturally include some knowledge of economic history; and what is called commercial geography might also, no doubt, be taught and studied in a way which would be as intellectually stimulating as history. Suchlike subjects are as well fitted to serve the true purpose of a university education as the study of law or of medicine. But the mere usages of particular businesses, information about the state of particular markets, the art of shorthand, bookkeeping by single and double entry, the technique of commercial correspondence—these, I should venture to hold, it is not the primary business of a university to teach. Whether or not facilities should be afforded to higher commercial students to learn these things in due subordination to their higher studies, whether the university should arrange classes in them for the benefit of non-matriculated evening students,—these are mere questions of detail. The matter of principle is that they are unfitted to be main subjects of a regular university course or to be rewarded by a university degree.

So far I have been looking upon the matter mainly from the

point of view of education—from the point of view of one who has at heart the interests of higher culture, and is keenly interested in keeping up the dignity and prestige of the universities as the organs of that higher culture. But now let me look upon it for a moment from the practical point of view. I cannot subscribe to that theory of education which regards it as a mere instrument of commercial competition against Germany; but I recognize fully the extreme importance of the practical question—the question of efficiency in all branches of the national life. It is not beneath the dignity of the universities to be useful so long as they really educate as well—to educate a man for a profession, so long as they do, at the same time, educate him as a man. And, further, I venture to think—though here, of course, I speak with diffidence and a due consciousness of my own ignorance and inexperience—that, if we had begun at the practical end instead of the theoretical, we should have arrived at exactly the same conclusions. I gather from those who have the practical experience that the great mistake which promoters of technical education are apt to make, at least in this country, is that of making it too technical—too technical to serve its own technical purposes. What you want to do in technical schools, I imagine, is to cultivate and develope general intelligence, acuteness of observation, quickness of eye and skill of hand, rather than to teach the detailed processes of particular trades which are best learned in the workshop. That is so even in the technical education that you give to boys whom you want to grow up to be skilled workmen and artisans. It is still more the case with regard to the higher education of the scientific manufacturer or the experts whom they employ, the managers or higher employees of great businesses, the captains of industry. It is not merely because they have learned commercial correspondence at a commercial school that the German is driving the Englishman out of so many markets; but because, as a rule, he is a better-educated man all round than the average Englishman of the same class. To be more precise, there are two very definite reasons why a university which aims at being of use, in the most severely practical way,

to the commerce of a great town, should nevertheless aim at the high standard of general culture and of scientific thoroughness for which I have pleaded.

(1) Because general development of the powers of thought and reasoning, the formation of habits of observation and reflection and generalization, are as necessary for the higher walks of commerce and industry as detailed knowledge of the processes involved in particular trades; and

(2) Because, if you want successfully to apply the processes of science to the purposes of industry, you must get a thorough grasp of the principles of the sciences themselves before you study their particular applications. The particular application at present in use may be learned empirically; but the improvements, the new inventions, the progress come from those who have mastered the subject scientifically. To put the matter paradoxically, if you want to learn what is to be useful, you must learn a great deal that is useless first.

It is obvious that the first of these considerations is more applicable to commerce, and the second to the conduct of manufacturing industries, but in principle they are both, I imagine, true of all education of a theoretical kind for practical objects. We all know the difference between the scientific physician and the mere empiric. Sometimes the latter will succeed when the former fails: the bone-setter succeeds in making a man walk when the scientifically trained surgeon only labours to persuade him that there is nothing the matter with him. But we all know which we should send for when we have a dangerous illness. And that is the parallel which should, I venture to think, always be before the mind of those who are organizing a university education with a view to practical ends.

By way of illustrating the principles I have attempted to lay down, I will venture to make a few remarks on a recent utterance of an eminent statesman. In an address on education, Lord Rosebery was insisting on the now familiar topic of our national inefficiency—on the need of efficiency, especially in all branches of the public service; and then went on, by way of practical

application of his remarks, to draw the curious corollary (so far as I could gather) that the public offices should be filled with men who have distinguished themselves on the cricket and football field, instead of with those who have passed brilliant examinations in dead languages, and similar useless branches of knowledge. It is not necessary to argue whether Greek and Latin are the only fitting subjects, or even the best subjects, of higher education. I fully believe that modern languages and modern history may be made excellent instruments of education, and, as an Oxford man, Lord Rosebery ought to be above the vulgar prejudice that the old universities now teach nothing but dead languages. But, at all events, the education that is given in our universities is, where technical knowledge is not required, the best that is now available. And it is not those branches of the public service which are chiefly recruited with men of high university distinction that have earned a reputation for inefficiency. The Indian Civil Service is, perhaps, the most brilliantly successful of all branches of the public service; and, by the admission of the older civilians themselves, the new men who have come into the service since the examination was so arranged as to attract university first and second class men, instead of specially trained pupils of the crammers, prove themselves practically abler and more competent than their predecessors. There is by general consent no lack of efficiency in the permanent Civil Service; or even if one does hear whispers of inefficient offices, it is not to the younger men who have entered the service under the new conditions, but to some surviving relics of the old system, that the complaints attach; or perhaps to one of those branches of the public service, such as diplomacy, which, though they do attract a few very able men, are still to a large extent the preserves of aristocratic young men educated frequently outside the universities, and educated mainly in modern languages. If it were my business to supply plans for increasing the efficiency of the army, I should set about to consider how it would be possible to attract into it a leaven of men as able and as well educated as the civil servants of India.

I hope it will not be an impertinence if I suggest that one way

in which the commerce of this country might be strengthened would be by some plan which would facilitate the introduction into commercial life—into the higher posts of great commercial houses—of men of similar calibre and similar education. When the Government wants able men in Government offices, it makes them first-class clerks at once. In a few months they learn the routine of the office under the instruction of a second-class clerk, and then they are employed on work in which brains and education are of some use. Might not, I ask in all humility and with the desire of information, something of the same kind be attempted in great houses of business? It is not the high-honour men, I venture to think, who have given university men as a class a bad reputation with business people for idleness and want of application; but rather the passmen, who at the older universities undoubtedly do, along with a little that is valuable, learn habits of expense and idleness, and an inordinate devotion to pleasure and athletics. I can hardly believe that this is the class which Lord Rosebery wants to let loose upon the public services. That is not, I venture to think, the class that it is the mission of the new universities to multiply. Even trained as they are, I believe that the serious students of our universities do show their superiority over men less well educated in the most practical work of life when they have mastered the special knowledge which their occupation demands. I believe that it will be still more so when the student intended for commerce is able to combine a thorough grounding in the subjects which he wants for the purposes of his profession with a general training of mind and character of the type which it is the especial business of universities to afford.

The ultimate aim of such a university as yours should be, if I may venture to say so, not to provide an unintellectual education for unintellectual men, but to place the higher walks of industry and commerce on the same intellectual level as has hitherto been occupied by the professions, and to secure that as they are assuredly capable of finding scope for high intellectual powers and high qualities of character, so they shall be open to and shall attract to themselves men of as much education, though

it may be in some ways a different education, as that which is admitted to be desirable for a barrister, a physician, or a clergyman.

And here I will venture on a slight digression. The subject is somewhat disconnected with my immediate purpose, but it has a direct bearing upon my general problem—the future of the more modern universities. One of the professions for which the older universities always have educated men is the work of a clergyman, though it is only to a very small extent, in England, that they have educated them in theology. If it is only on the score of expense, there is now a large and perhaps growing class of clergymen who do not and cannot get a university education of the expensive Oxford and Cambridge type. With regard to the clergy of denominations other than the Church of England, an increasing number of them are now (I am happy to say) taking degrees in arts before they study theology; but it is only quite recently that any considerable number of them have been Oxford or Cambridge men, and there will always, I presume, be a large number for whom such an education will be impossible. For the bulk of non-university clergy, both inside and outside the Established Church, there has hitherto been nothing but the theological college. Without discussing the merits or defects of theological colleges, I will only say that at their best they are but a poor substitute for university education—at least, that is certainly the case with the theological colleges of my own Church. May I suggest that here—in the intending clergy of all denominations—is a large class of men of whose requirements, in the way of general or liberal education, the new universities might do well to think? And need their contact with the new universities be limited to general or non-professional education? No university can realize the magnificent ideal of representing the whole circle of human knowledge which leaves out of account that enormous region of human life and culture which is represented by the word "religion." A theology which was really worthy of the name would still be the "queen of sciences," summing up and co-ordinating the results of all the particular sciences, in so far as they bear upon

the supreme problems of human life and destiny. Should there not be faculties of theology in, or in intimate connexion with, the new universities as well as in the old? I assume, of course, that they must be undenominational. I believe that there would be no real difficulty in organizing theological courses and theological examinations which would attract the future ministers of many denominations. Real learning is a great solvent of sectarian prejudices. To bring about some kind of combination and co-operation between the theological schools of various denominations and the new universities should, I think, be one of the aims of those who wish to see harmony between the religion of this country and its culture.

H. RASHDALL.

NOTES AND MEMORANDA.

THE PUBLICATIONS OF THE COBDEN CLUB.—Is the cause of free trade gaining or losing ground in the world? That is the query suggested by a glance at the recent publications of the Cobden Club. As regards England, at any rate, there is a very striking contrast between the tone of the Report issued early last year, and that of the Memorandum published at a later date. The quiescence of the protectionists is the main theme of the Report. It had been so marked as to have permitted the committee to keep down their expenditure; they (the protectionists) had given, during the year, “few signs of vitality;” all along the line the projects with which they were identified appeared to have been receding rather than advancing in public favour. The main theme of the Memorandum, on the contrary, is the recrudescence of protectionist ideas and the dereliction of free trade principles, as manifested specially in the recent budget of the Chancellor of the Exchequer.

Many of the objections taken to the policy of the Government in the Memorandum are such as hardly come within the legitimate scope of economical discussion. Whether, for instance, the annual expenditure on the army is disproportionately great, as compared with that on the navy, is surely a question that would be more appropriately discussed in the technical journals of the services, or in the newspaper press generally, than in the publications of the Cobden Club, or in the *Economic Review*. When, however, the committee come to discuss the nature of the taxation adopted to raise the required additional revenue of £11,000,000, they are on ground that is unquestionably their own, and what they have to say is not without interest and value. This sum is to be raised, as we know, partly by an addition to the income tax, and partly by new taxes on sugar and on coal. The alternative proposal of the Cobden Club is, in the first place, it must be said, to raise a much larger sum than £11,000,000—perhaps £25,000,000 or £30,000,000. With such a revenue, it would be possible, they reckon, to wipe off the whole estimated cost of the South African War in four or five years. For the attainment of this end they would adopt the following measures. First, they would

drop altogether the coal and sugar taxes. Secondly, they would raise the income tax to 1s. 4d. in the pound, instead of 1s. 2d., as it stands at present. Thirdly, they would add 5s. a barrel on to the duty on beer ; that alone, they think, would produce more than the £7,000,000 proposed to be obtained from the two new taxes. Fourthly, they would put another 2d. on tea. Fifthly, they would raise the duty on tobacco ; they do not say by how much. Sixthly, they would take measures to obtain a greater revenue than is at present obtained from public-house licences ; and seventhly, they would do away with the subsidies to local bodies under the Agricultural Rating Act.

In regard to the omission of the coal tax, the raising of the income tax, the increased taxation of tea, and, perhaps, the increased taxation of beer, there is much that is open to controversy. Before we increased the taxation of beer, we should, at any rate, require to feel satisfied that the effect would not be to substitute whisky for ale as the national drink, as the malt tax is said to have done in Scotland in the eighteenth century. As to the raising of increased revenue from public-house licences, that is certainly a project that has a great future before it, though it has yet to take definite shape in the public mind. When the committee come to the excision of the increased taxation on sugar, there they appear to have a very strong case indeed against the Government. The tax, it is estimated, will raise the price of sugar to the consumer by at least a halfpenny per pound, and that can hardly fail to have some considerable effect in reducing its consumption among large classes of the population, or, allowing for the late fall in its price, at any rate in preventing the increase of consumption that would otherwise have taken place. That assuredly is a step in the wrong direction. No tax, indeed, could well have been devised that, in proportion to its amount, would have operated more mischievously. Medical science has been, of late years, in an ever-increasing degree, disposed to recognize the value of sugar as a proteid-sparing and muscle-producing food. The committee issue, as a leaflet, a very interesting extract from a recent article in the *British Medical Journal* on the subject. The German military authorities, in 1898, we are told, instituted a series of experiments at Metz to decide the question of the usefulness of sugar as a food. "Twenty men were selected from each company ; an extra ration of 100 grams of sugar was issued to ten out of each twenty selected. The results were conclusively in favour of the sugar eaters. They increased in weight, which their comrades did not ; they enjoyed better health, and were able to support the hard work with much less distress. . . . As a result of these experiments, it was resolved that the sugar ration for the German soldier should be

raised to 60 grams per diem. . . . The English soldier gets 37 grams."

It is, indeed, greatly to be regretted, from our national point of view, that the latest results of scientific investigation in every department appear to exert so much greater influence in Germany over the practical management of affairs than they do in England.

WILLIAM WARRAND CARLILE.

PROFESSOR BRENTANO'S RECTORIAL ADDRESS.¹—This is a very able lecture by Professor L. Brentano, on his accession to the rectorial chair of the University of Munich. It is largely devoted to the consideration of economics within the Christian Church, only dealing, for instance, with Aristotelian economics when revived by Thomas Aquinas. One cannot, however, but feel surprised that Dr. Brentano should have pretermitted altogether the economics of the Old Testament as we may observe them in the Book of Proverbs, as also those of the Book of Ecclesiasticus, which, when placed on the same footing as the canonical books by the Church of Rome, must have powerfully influenced its doctrines. Professor Brentano devotes a large space to Machiavelli and his teaching, and the passionate admirers of our Charles the First will be horrified at his designating that king as a "Machiavellist quite after the Italian pattern, who treated faithlessly with all parties at the same time, resolved in his heart to keep his promise to none"—though I am afraid history would confirm the judgment. Sir William Petty he considers the founder of modern political economy. And he concludes by exhorting his hearers not to give up their ideals, but to recollect that no positive law can justify that which is in contradiction to the law of nature, the outflow of the Divine Reason—quoting a striking passage to this effect from the *Summa* of Aquinas.

It is easy to differ from Professor Brentano, and probably few of his readers will fail to do so on some points. But what he says is always worth listening to, and one cannot but regret that, owing perhaps to considerations of rectorial prudence, his historical survey should include no later instances than those of the Physiocrats (the name of Hobbes is the last quoted in point of date). His field was, indeed, an enormous one, and it is an achievement to have covered so much of it in forty-one pages.

J. M. LUDLOW.

¹ *Ethik und Volkswirtschaft in der Geschichte.* Rede beim Antritt des Rektorats der Ludwig-Maximilians Universität, gehalten am 25 November, 1901. Von Dr. L. Brentano. [41 pp. 8vo. Wolf. Münschen, 1901.]

MEN AND MACHINERY.¹—The paramount question in economics to-day is the relation of machinery to the worker. The dreamer puts the use of machinery under a ban. His ideal is the individual worker with the individual machine—the thresher with his flail, the mower with his scythe. The aggregation of machinery, with its division of labour into infinitesimal small routines, is to him deplorable. It abolishes craftsmanship; it reduces the worker to the dead level of a humdrum monotony. But the economist is bound to recognize, not merely the existence of machinery, but its possible development far beyond present limits. Then the question arises whether machinery is for the good or ill of the race. Mechanical inventions, says Mill, “have enabled a greater population to live the same life of drudgery and imprisonment, and an increased number of manufacturers and others to make fortunes.” This is pointing the whole question most definitely. The war of controversy which surrounds the relationship of employer and employed is thus directly contingent upon the introduction of machinery. Trade unions result from its development; combines and trusts follow; hence the question of the advantageousness or otherwise of machinery becomes of increasing importance. In general, the worker looks askance at it, but his objection is not based upon economic or philosophical grounds. If he is a compositor, he sees his fellows displaced by the linotype. It is a poor consolation that printed matter is cheaper, and that others are employed in the manufacture of linotype machines, and that ultimately the race may benefit. He looks at it from the nearer vision, and it is not a matter for surprise that he finds machinery on the whole to be his deadly foe. The enmity may be more hidden, but it is as virile as it was fifty years ago.

It is true that we cannot, being in a transition stage, judge the ultimate utility or otherwise of machinery from the present results. Possibly, if we take a wider perspective, we shall find that we are reaping the disadvantages, whilst coming ages will gain. The comforts which the middle, especially the lower middle, classes have gained from the cheapening of articles by the introduction of machinery will possibly extend in the fulness of time to the classes still lower. Just as combines are a legitimate phase of the development of the social fabric, so the dismissal of employees by the introduction of machinery is a phase equally legitimate and equally inevitable. In any system of collectivism, no doubt, machinery would play a great part, but its introduction would be safeguarded in the interests of the workers,

¹ (1) *The Albion Works Mutual Sick and Benefit Club Rules* (Salford).

(2) *Institutions at Jardine's Works* (Nottingham).

and such safeguarding is by no means impossible, even at the present juncture. In other words, it is necessary that in any advance in the use of machinery it should be understood that it is defensible philosophically only in so far as it tends to advance the general comfort of the working classes themselves. With a collectivist *régime* it will be possible to apply this test; under the present form of government it is frankly impracticable. All that can be done is so to use machinery that the men concerned will not regard it as their deadliest enemy. There are several ways in which this can and has been done; some of them are rather of the philanthropic order, and at once objectionable. But the two firms named in the footnote, p. 83, have adopted means, very diverse in their method, but alike in their intention of making the employee get the best, rather than the worst, results out of the machinery. Whatever we may think of the method adopted, this at least is the only result at which it is reasonable to aim.

Sir W. Bailey's works at Salford have what is called the Differential System of paying wages. For example, if a workman finishes twenty pieces per day and all of them are perfect, he receives sixpence each. If he finishes only nineteen, he receives fivepence only, and similarly for lower totals. By this means there is a progressive stimulus to the men to get the best possible result out of the machinery, and any suspicion of malingering is checked. This method, so far, is purely individualistic, though the Albion Works have also an excellent sick and benefit club by way of philanthropic enterprise. There is, however, an economic objection to the arrangement. The piece which, being one of twenty, is worth sixpence, is still worth the same when it is one of nineteen. The method of differentiating the unit payment according to the total is ingenious, but theoretically it is not sound. However, I find that in practice it works excellently well, as so many bad theories do. The men as individuals like it (though the trade unions do not, notwithstanding that the firm have no objection to trade unions), for the arrangement is undoubtedly effective in that it pays the man, not the position. An average wage of £3 a week is guaranteed to every active and competent workman. In the present state of the development of machinery it is clear that in many cases only some piecework system is practicable, notwithstanding that the system is in certain respects open to serious objection. And if the differential system will do something towards the desirable end of getting the results of the introduction of machinery into the hands of the many rather than the few, it will have accomplished much. The economic objection will thus largely fall to the ground, for at the outset the differential system

is merely tentative. Unfortunately, it is not in every trade that the use of machinery can be turned to wider advantage. Machinery has "come to stay," as the Americans put it, and it is only accentuating any evils that may attach to its introduction when it is used in a half-hearted or reluctant—or, even worse, a positively hostile—fashion by men clever enough to hide their hostility.

Mr. Jardine's method is one of frank hostility to trade unions. He rewards his men by bonuses to the men themselves, and by donations to institutions and societies: cricket clubs, church lads' brigade, and military bands! No doubt these are excellent things, but as lures from the proper combination of workers they are not free from grave objection. The rules to the foremen include the following:—

"15.—Discharge any one who, given the opportunity, scamps a job. There is plenty of room outside for those who take no pride in their work. 16.—Discharge any one with a "sore head." 17.—Discharge money-lenders. The man who encourages drinking and other bad habits, by readily lending shillings, is a sly creature, but find him out and sack him. 18.—Discharge money-borrowers. The man who regularly borrows a shilling on Monday, undertaking to pay fifteen-pence for it on the Friday, is not the sort of person we want on the premises. 19.—Discharge betting men and boys; bookmakers and backers. 20.—Discharge a man who treats his wife and family badly. 21.—Discharge dealers in goods on the instalment plan. 22.—Discharge trade unionists—if you should ever discover any in the place. Our works are open to free labour only."

Of such rules the less said the better. In fact, the system of grappling with these problems by means of private philanthropic benevolence is open to serious objection. The model village is not always the scene of peace and joy which it appears to be, and well-intentioned employers do not invariably act in their workers' interests. Sooner or later it appears that the ultimate intention is to undermine the right of combination on the part of the men. Whatever may be the future of artisan life, whatever may be the effect upon it of the introduction of machinery, it is certainly lamentable that the worker should have no choice in the discussion of his relationship to movements which are revolutionizing his calling. On this ground alone, Mr. Jardine's scheme, with all its detailed rules, and in spite of its no doubt benevolent motives, cannot claim the approval of thinking persons.

JOHN GARRETT LEIGH.

INDUSTRIAL ORGANIZATION AT DELFT.¹—Some thirty years ago Mr. Van Marken first attempted to apply the principles of profit-sharing to the Delft factory of the Netherlands Yeast and Spirit Company, and in this book he gives an account of the organization which has subsequently grown up. The system has been adopted by two other large companies in Delft, while the Van Marken Press has gone further, and developed into a more strictly co-operative business, on lines similar to those of some productive societies in England. A standard working day of ten hours, which compares favourably with the average working day in Holland, and a minimum wage of twelve florins (£1) a week, are assured to all employees of the companies, who further receive extra pay for overtime, a share in the profits of the business, and premiums for skill and zeal. The system on which these premiums are given is very elaborate, but it is said to work well. Neither the premiums nor the share in profits are received entirely in cash, but a proportion at least must be paid into the savings bank, and the right of withdrawal is strictly limited.

The company, moreover, insures its employees against sickness, old age, and death. And many other advantages have been devised from time to time for the benefit of the workpeople—such as model dwellings, a co-operative store, club-rooms in which classes, lectures, and entertainments of every kind are held, schools for the children of employees, a library, and last, but not least, the well-known Agneta Park, which serves as the main public recreation ground of Delft. In the case of the Van Marken Press, the workpeople are encouraged and even obliged to take shares in the business, and so obtain a voice in the management; in the case of the other companies they can make recommendations to the directors, and the so-called "Statutes of Labour" were codified by their representatives. The failure of some parts of the scheme shows that human nature is human nature at Delft as elsewhere. An attempt to provide teaching in domestic economy and cooking for the women proved unsuccessful, as the author remarks, because "it annoys them that their failings in this direction should be recognized by each other;" and a scheme for having apprentices trained by workmen has also had to be given up for lack of good will on the part of the latter.

The book is beautifully illustrated, but the fact that it is not continuous in form, but drawn up as a syllabus, makes it less readable than the interest of the subject-matter would warrant. The quality of the translation also leaves much to be desired.

M. H. PRICHARD.

¹ *Industrial and Social Organisation.* By J. C. Van Marken. Translated by S. de Jastrozebaki. [84 pp. 4to. 2s. 6d. Van Marken Press. Delft, 1901.]

THE NATIONAL CO-OPERATIVE FESTIVAL OF 1901.—The fourteenth Co-operative Festival at the Crystal Palace in August last was the second one held under circumstances of great difficulty. The preceding ones had been aided by conditions very favourable to the development of the idea which I had when I first proposed that we should use the combined powers of our co-operative movement to organize wholesome pleasures for our people.

In 1886, the Council of the Agricultural and Horticultural Association, then presided over by the late Edward Vansittart Neale, agreed to try the experiment of a Workmen's and Cottagers' National Co-operative Flower Show, with some social features added. The very successful series of special exhibitions at South Kensington, organized under the presidency of the Prince of Wales, was then proceeding. I waited on the Council of the Royal Horticultural Society, and asked them to make our proposed industrial show one of their series, but received in reply a most doleful narrative of failures of similar attempts in previous years. The Royal Horticultural Society had—to their great credit—offered from time to time most generous prizes to induce cottage gardeners in various parts of the kingdom to meet and compare their flowers and vegetables; but the working-class gardeners, for some unknown reason, could not be induced to assemble beyond the limits of their own immediate districts. A workmen's National Show was, therefore, believed to be impossible. The Council of the Royal Horticultural Society, however, freely offered us the use of their conservatory for a show of our own, and the Prince of Wales—now King Edward VII—personally interested himself in facilitating our experiment. We made a beginning, but the result was not very encouraging. A single large table in the centre of the great conservatory sufficed to hold our 294 exhibits. A second annual show at South Kensington gave us double the number of entries, and proved that the idea of co-operative recreation had appealed to the more ardent spirits amongst our members. More important still, the experience of our two years' efforts taught us some things we did not know before, and showed us the possibility of further developments. These possibilities were largely based on the willingness of the Railway Companies at that time to grant very generous privileges to popular gatherings. It was the knowledge of this willingness which suggested the idea of developing our industrial flower show with its social features into a great national festival of music and flowers for our co-operative people. I took counsel with my friends Edward Vansittart Neale, George Jacob Holyoake, and others, and then laid the project before many of our societies. Thus was our first Festival launched in 1888. The remarkable

annual developments up to 1899 are pretty well known, but I may be permitted to summarize what was achieved in those twelve years.

Our Workmen's Flower Show grew from less than three hundred exhibits to over five thousand. The "One and All" Flower Show became the largest annual exhibition of the kind in the world, occupying a table frontage of about a mile in length. The exhibits were not limited, as at our first show, to a few ordinary vegetables, but included choice fruit, vegetables, and flowers of all kinds grown by working people, and of such a quality as would be no discredit to expert professional growers.

The fifteen hundred co-operative singers at our first Festival multiplied until we had about ten thousand annual entries. Co-operative societies all over the kingdom were induced to establish classes and choirs to take part in our annual concerts. And as these classes and choirs are practising more or less all the year round, the value and extent of this encouragement of a love for good music have been very great.

Athletics, children's sports, and other special features had all similarly grown and developed.

The exhibition of co-partnership productions organized by the Labour Association, and the conferences and meetings held during our Festival week to advance the higher ideals of co-operation, became increasingly significant and important.

But in 1900 we had to face a crisis, which was due to a change in the policy of the associated Railway companies. The Railway managers of the United Kingdom meet from time to time at the Railway Clearing House, Euston, to arrange their mutual relations and agree upon general lines of action. For many years previous to 1899 the policy of the companies had been based upon popular lines. The development of comforts and advantages for third-class passengers, and the adding of third-class carriages to quick trains; the extension of season tickets and return-ticket privileges; the cheapening of excursion fares and the multiplication of excursion trains; the institution of workmen's trains, and many other notable modern improvements, were the fruits of this policy. The public, seeing the ever-growing prosperity of the railways, believed that this popular policy would be continuous; and until the outbreak of the Transvaal war it is probable that no sweeping change was contemplated by the Railway managers themselves. The war brought dear coal and dear iron, and adversely affected railway incomes and expenditures. Hence the change, so disastrous to our Festivals.

The privileges granted to the earlier Festivals included the running of excursion trains at very cheap rates, from all parts of the kingdom, on the Saturday of our gathering and on the preceding day. On these

excursion trains our singers and exhibitors were permitted to make the double journey to London and back for a single fare. In many cases exhibits were transported at special low rates; choir conductors and festival organizers had passes granted them to visit our societies; our advertisements were freely displayed, and our work was aided in many other ways.

In 1899-1900 the Railway managers resolved that excursion fares must be advanced all round. The advances varied from 10 per cent. up to 50 or 60 per cent., and averaged quite 25 per cent. Saturday excursions were to be discouraged and reduced in number. The special privilege of half fares to our singers, exhibitors, and musical performers was entirely withdrawn.

The effect of these changes upon our National Co-operative Festivals can be best shown by illustrative cases. Our leading co-operative societies are in the Lancashire and Yorkshire manufacturing districts. The excursion fare from the towns in these districts was ten shillings per head prior to 1899. If a workman co-operator in Leeds or Manchester had a son and daughter in our choir, and came with his wife to the Festival to hear his children sing and to take part in our gatherings, the total cost to the family for railway fares was exactly thirty shillings under the old arrangements. Under the new regulations such a party cannot come to our Festivals, even from towns whence excursions are still run, under £2 10s. And as Saturday excursions are now rigorously cut down in number, there are a great many places from which families have to travel by ordinary trains. In these cases a family of four cannot now come to London without incurring railway charges of over £6; and as the average wages of factory people are only fifteen to twenty-five shillings per week, the new regulations are simply prohibitive for a large section of our supporters.

The Festival of 1900 had been arranged before the new railway restrictions were announced, and the effect upon our gathering was partly mitigated by the generous action of some of our richer societies, which came to the rescue, and paid the increased charges levied upon choir-singers, rather than have the entries cancelled and their members disappointed. But conferences were called in Yorkshire and the Midlands to consider the position, which arrived at the inevitable conclusion that the new railway demands were impossible for working co-operators to comply with. In 1901, local musical gatherings, formed by associations of district choirs and societies, have been attempted in some places, but the great majority of our provincial choirs have ceased to assemble.

In the *Agricultural Economist* for December I have published a list of thirty-eight places from which 5292 singers came to us in 1899,

but from which we had no entries in 1901. A few examples will show how widespread has been the adverse effect of the new railway arrangements. From Carlisle came 70 singers in 1899, from Huddersfield 120, from Bristol 100, from Leicester 346, from Sheffield 940, from Brighton 50, from Blaenavon 180, from Sheerness 104, from Banbury 75. In fact, there was scarcely a district in the kingdom, north, south, east, or west, which was not represented. In 1901 our choir was almost exclusively from the metropolis and from the home counties, and the number of singers was woefully reduced.

The shrinkage in our Flower Show entries is about one-half, and in this case, also, the absence of entries from the north and other distant districts is sadly noticeable.

As I write, the future arrangements for our great Festival are under anxious consideration by the representative co-operators who have this work in hand. The combined power of organized co-operative societies of working people in various centres of population throughout the kingdom is, of course, very great. Through these organizations we could in time have made the practice of good music, the culture of gardens, the development of healthy athletics, and recreation for young and old, all but universal. But the periodical gathering together of our forces for conference and mutual help was dependent on travelling facilities being within the reach of our working people. This last condition no longer exists. What can now be done is a serious problem, and we feel we need the good advice and support of all who can help us to a satisfactory solution.

EDWARD OWEN GREENING.

“THE LAW AND THE TRADE UNIONS.”¹—The present relation of the law to trade unions is not so clearly understood as this pamphlet appears to take for granted. The decision in the Taff Vale case, wherein the House of Lords reversed the decision of the Court of Appeal and confirmed that of Mr. Justice Farwell, can only be comprehended if we review rapidly the history of the legalizing of unions for the protection of the working artisan. The main distinction between permissive legislation, and legislation which confers not entity merely but actuality upon the various unions, is not always kept in view. The reader must understand precisely this distinction, or he will utterly fail to appreciate the present position of affairs.

In 1871 and 1875 legislation dealt with the trade unions. The Home Secretary, Mr. Bruce, who introduced the Bill in 1871, undoubtedly wished to go farther. But trade unions were not exactly popular, and the Sheffield riots were an abhorrence to the bulk of the

¹ A review of recent litigation. [Co-operative Printing Society. London, 1901.]

nation : still the public believed that to give an articulate voice to labour, and to permit working men legitimately to combine, would do much to end labour disputes, and would make the machinations of such societies less secret, and therefore less dangerous to the community. "Give them speech," said one of the wisest men of the day, "and they will not desire to wreck our property." Thus the Bill became law, and trade unions were recognized.

But recognized as what? As merely voluntary associations, bound by mutual consent, and free from the irritating and persecuting charges of conspiracy. That was all that the Acts of 1871 and 1875 conferred. They merely permitted unions to exist. They did not incorporate the societies in any way whatever, so that, as the law was then understood, trade unions were not actionable in their corporate capacity, nor could injunctions be obtained against them.

The decision of the House of Lords entirely alters this state of affairs. Trade unions have still no corporate legal standing ; they are still merely recognized. But the House of Lords now decides that a trade union is a legal entity—that it is liable to an injunction, and for damages for an actionable wrong done by its officers acting within their authority. Hence the trade unions are in the position of "Heads you win, tails I lose." They have not the privileges of corporations ; for example, it is doubtful if they could sue a recalcitrant member for his subscriptions. This lopsided arrangement is obviously intolerable, and the pamphlet before us considers how it can best be improved, though it does not give us much light towards a decision.

There are two solutions, each of which, however, seems to call for legislation. One is that the Act of 1871 should be so re-enacted that it would expressly debar trade unions from suits of the kind now rendered legal by the decision in the Taff Vale case. It is highly improbable that the present legislature would consent to such a proposal. There is a suspicion in the air that England is losing trade—a suspicion which is being fostered by the sensational press. If it were decided to give to trade unions in any shape or form such protection as this proposal would entail, it might at once be expected that a protest would be raised against the exemption of unions able to interfere with trade from any process of law which would make their actions amenable to public, that is, legislative discipline.

In fact, public opinion, as often happens, will be found in the main to support the bolder action. Full legalization of trade unions is, after all, the only possible course. What it would mean may be discovered from this pamphlet, though there are other results which it does not include. For example, the full recognition of the legal standing of

trade unions would at once, by making the corporations fully liable to suit at law, render strikes matters for litigation. It will be a curious development if *Masters v. Trade Unions*, in the High Court, be the new form of arbitration. Possibly this is the next stage in the development; and if so, the necessary legislation will need to define very precisely the responsibilities of the unions in peculiar cases—such, for example, as sympathetic action when an indirect blow is struck at other masters through a master with whom personally there is no dispute. This would appear, as the law stands at present, to be an actionable wrong; but such action has been by no means infrequently necessary in the history of industry. In fact, as trusts and combines grow, it will probably be more necessary in the immediate future, for strikes will probably not be capricious and individual, but general and widespread, in order that one master may bring pressure on another. By the full legalization of trade unions, by granting them full corporate powers and capacities, much will be done to make the unions themselves worthier representatives of the rights of labour, and more foresighted and deliberate organs of protection.

JOHN GARRETT LEIGH.

THE POPE ON CHRISTIAN DEMOCRACY.—As I am sure that neither the *Economic Review* nor Mr. Lawrence Phillips have any wish to misrepresent the teaching of Leo XIII., perhaps you will kindly let me point out two misapprehensions in the otherwise appreciative note on the encyclical on Christian Democracy in the last October number.

The first is partly due to an incorrect newspaper translation being used instead of the original. What the Pope really says is that the movement in favour of the poorer classes which he advocates, and to which the name of Christian Democracy is given with his approval, is quite distinct from forms of government, such as monarchy, aristocracy, democracy, or any combination or modification of them, the Church being neutral in their regard. For example, in England one Catholic may think the House of Lords should be abolished, another that it should be strengthened; but neither of them must force his private opinions down the throats of others as part of the social reform advocated by the Holy See. This is no “dualism of spiritual *versus* secular;” indeed, precisely the opposite of such dualism has been taught in the encyclicals of Leo XIII., notably in that of Nov., 1885, on the Christian Constitution of States, showing in contrast to the indifference of mere forms of government, the all-importance of the religious character of the State, and the intimate relations which ought to exist between Church and State.

The second misapprehension is that the Pope identifies justice with the present distribution of property ; and the reader might think that Leo XIII., of all persons in the world, was the prop of an unscrupulous plutocracy. On the contrary, we learn from him that a large part of the present distribution of property is the result of unlawful enrichment. Thus, at the beginning of the encyclical on the Condition of Labour, there is a very strong passage on the undeserved misery of the poorer classes ; on the need of an immediate remedy ; of devouring usury, ever condemned by the Church and now assuming new forms ; of monopolies of wealth imposing a yoke little better than slavery on the poverty-stricken masses. And the Pope in the same encyclical declares that to pay starvation wages, to enforce overwork, to set women or children tasks unfit for their sex or age, to permit immorality in one's workshops, to conduct work in a way that injures the family life of the workpeople or allows them no leisure for their religious duties, to injure their scanty funds by force, fraud, or usury, to withhold their just wages, or in any way to make profit out of their distress—that all these cases are crying violations of *justice*, and to be hindered as far as possible by the arm of the law.

If these principles of Leo XIII. were accepted and acted upon, we should see—so at least I respectfully submit—a very great change in “the present distribution of property.”

CHARLES S. DEVAS.

THE SOUTH METROPOLITAN GAS COMPANY.—In the instructive and very encouraging article on “Profit-Sharing—a Vindication,” which Mr. George Livesey contributed to the last October number of the *Economic Review*, it was stated that a notice had been put up in the works to the effect that “members of the Gas Workers’ Union would not be employed by the company.” We are now informed that this notice has been withdrawn, and that in future the profit-sharing agreements between the company and its employees will not contain any clause prohibiting membership of the Gas Workers’ Union. We heartily welcome this decision, and feel sure that it will meet with general approval. It has removed an obvious reproach against the profit-sharing system which has been adopted by the South Metropolitan Gas Company with truly remarkable success. Even if such a regulation may have been justified in the first instance by the special circumstances of the case, it is now frankly recognized that it is no longer necessary ; and, therefore, the system is free to develop without exciting this particular prejudice against the principle of industrial reorganization which it represents.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE annual volumes of statutes have of late become remarkably thin, and present a strange contrast to the typical volume of previous years, to say nothing of such a monument of industry as the volume issued for 1875, when the cry of "Sanitas sanitatum" was still ringing in the ears of the legislature. If Parliament finds so little new legislation necessary, perhaps we may hope that a portion of the small amount of time it devotes to its duties will be expended in rectifying the admitted absurdities of past legislation, such as the egregious blunder under which the drain of a house is a public sewer repairable by the local authority if it happens to receive the drainage of another house belonging to the same owner. A large portion of the exiguous volume for 1901 is occupied with legislation giving the Government power to raise money for the war by new taxes and by borrowing. A comparison of the elaborate regulations necessary for levying the sugar duty in the *Finance Act*, 1901 (1 Ed. VII., ch. 7, 10 pp., 1*½d.*), with the brief provisions required for borrowing sixty millions in the *Loan Act*, 1901 (1 Ed. VII., ch. 12, 2 pp., *½d.*), gives new point both to "the sweet simplicity of consols" and Adam Smith's cynical remark, "After all the proper subjects of taxation have been exhausted, if the exigencies of the State still continue to require new taxes, they must be imposed upon improper ones." The solitary considerable legislative product is the *Factory and Workshop Act*, 1901 (1 Ed. VII., ch. 22, 90 pp., 1*1d.*), which consolidates the previous Acts and also introduces many amendments, of which a convenient summary will be found in the *Labour Gazette* for September, pp. 263, 264. The powers of the Home Office as to dangerous trades are extended and simplified. In several ways the attempt is made to secure greater activity on the part of the local authorities. No child under twelve is to be employed in any factory or workshop. The *Intoxicating Liquors (Sale to Children) Act*, 1901 (1 Ed. VII., ch. 27, 2 pp., *½d.*), repeals the Act of 1886, which merely prohibited the sale of intoxicating liquors other than spirits¹ for consumption on the premises to children under

¹ The sale of spirits for consumption on the premises to children under sixteen was already illegal.

thirteen, and substitutes the following provision : " Every holder of a licence who knowingly sells or delivers or allows any person to sell or deliver save at the residence or working-place of the purchaser any description of intoxicating liquor to any person under the age of fourteen years for consumption by any person on or off the premises, excepting such intoxicating liquors as are sold or delivered in corked or sealed vessels in quantities not less than one reputed pint for consumption off the premises only, shall be liable to a penalty not exceeding 40s. for the first offence, and not exceeding £5 for any subsequent offence : and any person who knowingly sends any person under the age of fourteen years to any place where intoxicating liquors are sold or delivered or distributed for the purpose of obtaining any description of intoxicating liquor excepting as aforesaid for consumption by any person on or off the premises shall be liable to like penalties." A subsequent section explains that corked means closed with a plug or stopper of any material, and sealed means secured with any substance without the destruction of which the cork, plug, or stopper cannot be withdrawn. There is already, before the Act has come into operation, some dispute as to its interpretation, but its obvious intention is to secure that no child under fourteen shall buy intoxicating liquor to drink in a public house, nor buy it to take away except in quantities not less than a reputed pint (an illegal measure which now finds its way into an Act of Parliament) and in closed vessels which cannot be opened and shut up again without traces of the operation being left visible.

The *Youthful Offenders Act*, 1901 (1 Ed. VII., ch. 20, 7 pp., 1d.), attempts a further enforcement of parental responsibility, by providing that, when a child is charged with an offence, any parent or guardian who has conducted to the commission of the offence by wilful default or neglect may be ordered to pay the fine or damages and costs, and to give security for the good behaviour of the child. It does not, however, provide for the delinquent parent sharing the corporal punishment of the youthful offender. Section 4 appears to diminish the number of cases in which it will be necessary to remand small offenders to that misnamed institution the workhouse, where they are often kept in a most corrupting condition of idleness.

The *Report from the Joint Select Committee of the House of Lords and the House of Commons on London Underground Railways, with Minutes of Evidence, etc.* (Commons Paper, 1901, No. 279, fol., 459 pp., 4s., 1d.), apart from its recommendations as to which of the numerous schemes before Parliament should be allowed to proceed—a matter of merely local interest,—is chiefly interesting as placing on an

official record Mr. Charles Booth's condemnation of municipal housing and the imposition of rehousing obligations on undertakings which by their very nature extend the habitable area. It comes out in the evidence that the rehousing of the people displaced by the Holborn and Strand clearance involves a dead loss of about £50 per head, men, women, and children included. An evicted family of five would doubtless be well consoled by a payment of £250, but they do not get it. The favoured tenants of the new houses, who are quite different people, get a small portion of it, and the rest is absolutely wasted, unless the mere satisfaction of totally misguided philanthropic sentiment is to be reckoned an economic good. While the ratepayers of London are content to squander money in this way, they shriek with horror at the extravagance of a suggestion that perhaps the mediæval rural highways of Middlesex and Surrey might be supplemented by a few new, straight, wide roads from the inner ring to the almost unoccupied country of which scores of square miles exist within fifteen miles of Charing Cross. Mr. Booth disapproves not only of this absurdity, as every sensible man must, but also of the attempt to plant dense municipal colonies here and there on the outskirts. He thinks what is needed is a general improvement of locomotion from the centre to the circumference, the length of which is so great that there is no real necessity for crowding anywhere.

Some information as to municipal housing may with time and care be extracted from what is known as Hazell's return. This should have been noticed in these pages last April, but the brevity of its short title, *Housing of the Working Classes* (Commons Paper, 1900, No. 320, fol., 18 pp., 2½d.), caused it to be overlooked. It professes to give in tabular form the financial results of the operations of each authority. The result is often misleading—for example, the London rehousing operations, under parts i. and ii. of this Act, appear far less costly than they really are, owing to the practice (explained in *Economic Review*, July, 1901, p. 385) of putting the land, not at its real value, but at its value for the purpose of housing the working classes. As to part iii., there seems to be much cry and little wool. At the date to which the return brings the history (March 31, 1900) forty-five borough councils, forty-one urban district councils, and six rural district councils had gone through the absurd ceremony required by the law of "adopting" this part of the Act. But though many of them did this in the first few years after the Act was passed in 1890, and fifty-nine of the ninety-two did so before the end of 1897, only about a dozen had actually finished any municipal dwellings. "No proceedings taken" is printed opposite the names of no less than thirty-nine. At

West Ham, Hornsey, and Llandudno the current receipts for the year show an excess over the current expenditure (including interest and repayment of principal), but the amount of building is so trifling that it would be rash to draw any inference from this fact. When West Ham comes to build for fifty-four thousand families instead of fifty-four the expenditure will be higher and the receipts lower.

It is not, perhaps, very likely that an unsophisticated person should read the *Annual Report of the Postmaster-General for 1899-1900* (Cd. 762, 8vo, 90 pp., 5d.), but if he did he would probably be struck by the fact that the Postmaster-General makes no remark on the fact that his bank showed an excess of liabilities over assets of a little more than two millions at the end of 1900. From December 31, 1893, to December 31, 1897, his surplus of assets over liabilities (according to his accounts) rose from £2,941,961 to £12,753,293. On December 31, 1898, it had shrunk to £10,702,556; in 1899 it softly and suddenly vanished away, and left in its place a deficiency of £504,928; in 1900 this deficiency increased to £2,040,574, and it must now be quite six millions. This looks alarming, and in out-of-the-way places there have been "runs" on the post-office savings bank. Now, a savings bank run, if it were general, would cause the biggest commercial crisis the country has ever known, unless it was stopped by a breach of the Bank Charter Act, or a simple refusal to pay. A run on any ordinary bank with good credit is easily stopped in modern times, because customers who withdraw cash immediately repair to neighbouring banks to pay the cash in to them, and they advance it to the bank which is in trouble. But if the Post-office Savings Bank depositors went to take out their money, they would not want to deposit it elsewhere, but to take it home with them. The hundred and thirty or forty millions due to them could not then be paid to them, even in bank-notes, without breaking the Bank Act, and it is quite conceivable that an unlimited issue of Bank of England notes would not meet the difficulty, as the gold and silver required to pay deposits under £5, and the fractional amounts between one multiple of £5 and the next would be very great. It is, therefore, very impolitic of the Post-office, or rather the Treasury, which is really the responsible authority, to hold up the Savings Bank as unable to pay much more than nineteen shillings in the pound. There may not be much likelihood of a considerable run, but it is not a thing to be risked merely for the sake of avoiding the trouble of repealing an old Act of Parliament which requires the Savings Bank assets to be valued at the market price of the day. The fact is that the Savings Bank has scarcely any real assets except the credit of the United Kingdom. It should make a

clean sweep of all the hocus-pocus of consols and local loans stock, and local loans bonds and terminable annuities which do not terminate and are not annual. The accounts should be made to correspond with the facts, which are simply that the United Kingdom owes certain people a hundred and forty millions, and pays them 2½ per cent., and has promised to give them back the capital whenever they ask for it.

The return entitled *National Debt* (Cd. 768, fol., 42 pp., 4*d.*) shows that in 1900-1 the repayment of principal in all the annuities except £1,148,760 was suspended. These unsuspended annuities are the only ones which have any real existence. The remainder are only nominally maintained—as a matter of fact, they have been tampered with for three years running—because the Treasury imagines that the public believes them to be what they evidently are not.

It appears from this return that, by the present time, we have increased the national debt during the war as much as we reduced it in the previous quarter of a century.

The *Forty-fourth Report of the Commissioners of H.M. Inland Revenue for the Year ended 31 March, 1901* (Cd. 764, fol., 188 pp., 1*s.* 6*d.*), contains the tables which newspapers, even of high financial reputation like the *Economist* (Nov. 23, 1901), have very carelessly quoted, as if they were classifications of incomes from all sources, and have thereby been led into the most astonishing misstatements about the distribution of the national income. It cannot, apparently, be too often pointed out that the inland revenue office does not and cannot possess any knowledge of the total income of any person who does not claim exemption or abatement except that it exceeds a certain amount. For example, if a man has a salary of £1000 a year, it knows that he has at least £1000 a year; but whether he is also receiving nil or £10,000 a year from property, it has no means whatever of knowing. The abatement figures show that 515,676 persons received abatement, as having more than £160 a year but not more than £400, 38,048 as having more than £400 but not more than £500, 16,857 as having more than £500 but less than £600, and 6709 as having more than £600 but not more than £700. Even these are only minimum numbers, as it is certain that a good many persons entitled to abatement are too careless or too incompetent to claim it. This remark applies most strongly to the higher classes, where the abatement is smaller absolutely, and consequently very much smaller in proportion to the larger income. If we take the average income of the £160 to £400 class at £200, the average of the £400 to £500 class at £430, the average of the £500 to £600 at £530, and the average of the £600 to £700 class at £630, which seems fairly reasonable, we get total incomes of each class as follows:—

£160-£400	..	..	..	..	..	£103,135,000
£400-£500	..	..	..	..	..	£16,361,000
£500-£600	..	..	..	..	..	£8,934,000
£600-£700	..	..	..	..	..	£4,227,000
£160-£700						£132,657,000

This leaves over £500,000,000 for the remainder of the people who pay income-tax, i.e. those who could have got exemption or abatement by claiming it, and those who had over £700 a year. It is tolerably clear from this that the persons with more than £700 a year are either numerous or wealthy, or both; but as to how many of them there are it is impossible to say anything, except that there were 15,865 whose individual trading or professional profits (excluding income from firms or companies) exceeded £700, 1260 whose salaries under Schedule D exceeded £700, and 11,615 whose salaries under Schedule E exceeded £700. Probably few of these appear in more than one of the three classes, so that we shall be safe in treating the total of 28,740 as representing at least 28,000 individuals. To these must be added all the people who have incomes from property which alone, or in conjunction with incomes less than £700 derived from profits or salaries, exceed £700. How many of these there are, we have no means of judging from the income-tax returns. Wild conjectures may perhaps be hazarded as to the whole number (including the 28,000 mentioned above) by taking the inhabited house duty returns, and making some arbitrary assumptions as to the number of persons with more than £700 a year likely to be resident in dwelling-houses of different rents. The classification of houses above £60 annual value is as follows in Great Britain alone. Ireland, not being subject to the inhabited house duty, is not included:—

Over £60 but under £80	..	..	..	..	..	51,494
£80 and over to £100	..	..	..	..	..	33,964
£100	£150	..	..	..	..	42,406
£150	£200	..	..	..	..	15,182
£200	£300	..	..	..	..	12,739
£300	£400	..	..	..	..	4,819
£400	£500	..	..	..	..	2,167
£500	£600	..	..	..	..	1,045
£600	£700	..	..	..	..	674
£700	£1000	..	..	..	..	836
£1000 and over						840

Probably every one would agree that there must be at least one person with £700 a year to every house valued at £150 and over, but there are only 38,302, and the difficulty clearly is to decide how many more seven-hundred-pounders there are in those houses and in the 42,405

houses which are rented from £100 to £150, the 85,458 which are over £60 but under £100. This may be left to our readers.

The Labour Department's Annual *Report on Changes in Rates of Wages and Hours of Labour in the United Kingdom in 1900* (Cd. 688, 8vo, 367 pp., 1s. 5½d.) records an increase of wages of a little over two hundred thousand pounds a week, which is twice as much as that recorded in any of the other years since the statistics began to be kept in 1893. It would amount to about 5½d. if spread equably over all the persons employed. The increases of 1893, 1896, and 1897 were about balanced by the decreases of 1894 and 1895, but 1898 yielded an increase of 2½d. and 1899 one of 2½d., so that the increase for the seven years is about 10d. But this, as the Department has often explained, is only a figure based on the assumption that the persons employed are distributed between the various grades in the same proportion at the end of the period as they were at the beginning. The progress of civilization seems to tend to increase the proportion of people employed in the higher grades, and so, in all probability, the increase in earnings has been somewhat more than 10d. a head per week, or £2 3s. 4d. per annum. Against this pleasing reflection we must, however, set the facts that prices of the commodities consumed by the working classes were decidedly higher at the end of the period than at the beginning, and that in the last months of it the Labour Department could already detect some signs of a decline. The fleeting and delusive character of the prosperity recorded is very plainly suggested by the table on p. xvi., from which it appears that seven-eighths of the increase for 1900 was in the occupation of mining and quarrying. Dear coal is not exactly a sound basis for high wages. The figures suggest the desirability of an inquiry into the value of the suggestion which a distinguished statistician has let fall in conversation, to the effect that a sliding-scale of miners' wages should be based on the same principle as the sliding-scale for gas companies, so that wages would vary inversely as the price of coal, and thus induce an increase of output when it is most required. So far as the miners are monopolists whose number does not increase when the conditions of employment improve, this is clearly the correct principle, if there is to be a sliding-scale. As things are, the production of coal in 1894-1900 was, in millions of tons, 188, 190, 195, 202, 202, 220, and 225, the increase of quantity produced being evidently altogether inadequate to meet the trade boom.

The same department's *Report by the Chief Labour Correspondent on the Strikes and Lockouts of 1900* (Cd. 689, 8vo, 214 pp., 10½d.), which has returned to a blue cover, in spite of having adopted the

usual Labour Department's ordinary colour last year, shows that the rise of wages indicated in the report just noticed was obtained without much disturbance of industrial peace. The figures show small differences from those of 1899. The number of disputes fell from 719 to 648, but the number of persons affected rose slightly from 180,000 to 188,000, and the days lost increased from 2,516,000 to 3,153,000, these changes being chiefly the joint result of some increase in the mining disputes and a decrease in the textile disputes. The insignificance of the total interference with production caused by these cessations of work is shown by a calculation on p. xv., from which it appears that the whole loss of time in the years 1896-1900 does not amount to one day per annum per man employed in the whole of the occupations dealt with. The results of 1900 seem to have been slightly in favour of the employed.

The *Report by the Chief Labour Correspondent of the Board of Trade on Trade Unions in 1900* (Cd. 773, 8vo, 331 pp., 1s. 4d.) shows another considerable increase in the membership of the trade unions from 1,800,869 to 1,905,116. Of this increase no less than 74,708 occurred in mining. This may presumably be accounted for in part by the number of miners having been increased. In 1898, 706,894 persons were employed in or about coal-mines; in 1899, 729,009; and in 1900, 766,901. The hundred principal unions dealt with in the more detailed tables, which had a membership of 1,117,443 at the beginning of the year, only increased 41,466, while the other unions, with a membership of 683,426, increased 62,804. In the hundred principal unions the accumulated funds amounted to £3 5s. per member. The dispute pay was £150,283, which is lower than in any of the other years 1892-9, except 1899. Unemployed and other benefits carried off £967,333, and working expenses £293,296. It is noteworthy that the amount spent in unemployed benefit rose from £190,768 in 1899 to £265,328 in 1900, which scarcely bears out the belief of those who imagine that the way to employ the unemployed is to spend wildly, and send as many people as possible out of the country.

The Labour Department have also produced a *Report on Workmen's Co-operative Societies in the United Kingdom* (Cd. 698, 8vo, 300 pp., 1s. 2½d.), by Mr. J. J. Dent. This is a good review of the present state and past progress of Co-operation, but it is rather surprising that the Labour Department could not find something better to do. Co-operation is surely sufficiently well advertised, and its policy gets well discussed by able and well-informed people who are closely interested in its success.

EDWIN CANNAN.

REVIEWS.

THE SOCIAL PROBLEM: LIFE AND WORK. By J. A. HOBSON. [vii., 295 pp. 8vo. 7s. 6d. net. Nisbet. London, 1901.]

The axiom on which Mr. Hobson proceeds is that society, being an organism or organization, the treatment of the social problem must be based on the recognition of its organic unity; and the primary object of his book is to enforce this truth by "showing the interactions of the many concrete 'questions' and 'movements' which divide the attention of social reformers." As Mr. Hobson admits, this is not a new thought: on the contrary, it has been the inspiration of social prophets from the beginning; and, however much it may be submerged for a time, it comes up again in new forms with new conditions. The two ideas which contribute to change the face of the social question are the organic conception of society and the historic conception of continuity. These ideas, then, are the new conditions for the proper setting of the social problem; but, to be really profitable, the first requisite is that "such setting shall be intelligible to all persons possessed of moderate literary education and average capacities of thought:" the only answer to the social question that can advance its solution must be addressed to "the best apprehension of the greatest number," and not to the philosopher on the one hand, or the simple on the other. It follows that the setting of the social problem under its new conditions must be, "in the full sense of the word, 'utilitarian.'" Lastly, Mr. Hobson is concerned not so much with the contents as the form of the solution. The proper setting of the question is the main thing, the filling up of the outline depends upon particularities of time and circumstance.

The setting of the social question may take two forms—one positive, the other negative; that is, the problem may be set (as by the older economists) in terms of wealth, or (as by our own age) in terms of want. The positive setting of the question had the advantage of suggesting the antithesis which underlies all its antitheses—the antithesis between effort and satisfaction; and this antithesis is

fundamental in Mr. Hobson's inquiry, which indeed is directed towards showing that "a solution of the social question will be satisfactory just in proportion as it fuses the opposition in making manifest the art of social life." Stated in its positive form, the social question runs, "Given a certain number of human beings, with a certain development of physical and mental faculties and of social institutions, in command of given natural resources, how can they best utilize these powers for the attainment of the most complete satisfaction?" For "complete satisfaction," if it seems too indefinite, we may read (with Ruskin) "the largest number of happy and healthy human beings." The negative form may be more broadly stated as—How to deal with human waste?

Mr. Hobson proceeds to define the nature and extent of this waste more closely, giving (in his own words) "a brief inventory of the chief factors of the social question, set in terms of waste of work and of life," and confining his immediate attention to their more industrial and physical aspects. This leads Mr. Hobson to examine the credentials of the "economists," both old and new, for the task of discovering the best means of "minimizing social waste," or of "maximizing social satisfaction." He concludes that "a science which still takes money as its standard of value, and regards man as a means of making money is, in the nature of the case, incapable of facing the deep and complex human problems which compose the social question."

What, then, is the one thing needful to transform political economy into a science of human wealth? The deposition of money and the substitution of social utility as the standard of wealth. This can only be achieved by several and distinct steps: the first thing is to reduce "costs" and "utilities" from terms of money to terms of human feeling—a step, as is admitted, that has been already taken by economists; the next—and to the economist "quite another"—thing is to apply a standard of valuation to "the current feelings of individuals"—the standard, that is, of social utility, as interpreted by the "general will" of a given society at a given time.

Mr. Hobson sums up this portion of his inquiry in the following statement. "Starting for convenience from a consideration of the claim that current political economy is a science capable of handling the social question, we have found it radically defective for this purpose in scope, method, and standard of valuation. The requisite scope of our study, we have discovered, must include all conscious activities of man, expressed subjectively in terms of effort and satisfaction. The method must be that of an organic science, recognising organic interaction and qualitative differences, not the purely

mathematical or quantitative method which current economic science tends more and more to employ. The standard of valuation must be abiding social utility, not present individual satisfaction."

This being the foundation, we must proceed to build a scientific superstructure by ascertaining and stating "the true nature of the relations between efforts and satisfactions as organic factors of human nature :" but this involves a preliminary examination of two familiar oppositions—between rights and duties, society and the individual. Here Mr. Hobson falls foul of what he regards as "a certain conspiracy," led by Mazzini, to put "duties first, rights afterwards," and, at the same time, endeavours to give a rational form to the theory of "natural rights." Natural rights will now mean the "rights" or "separate ordered spheres of activity" that a "rationally ordered" society of men and women assigns to its members regarded in their individual capacities. Such a special or private sphere of activity is "property ;" the right of individual property is only the positive aspect of the "right of liberty," and is, therefore, fundamental. It is, however, the problem of property in material objects or opportunities that gives point and urgency to the determination of "the rights of property." Mr. Hobson's discussion of this question is instructive. He holds that there are certain laws of the physical and moral nature of man which mark out the true limits of property in any given condition of society, and constitute the "natural rights" of property. These laws may be traced back to the relations between efforts and satisfactions : whatever portion of the current production is required to maintain the productive power of workers is their natural property, *i.e.* a property which considerations of social utility will secure as a right in accordance with natural laws (p. 103). It follows that "where economic or other social conditions prevent individuals from obtaining the physical subsistence or the moral stimulus requisite to evoke efficient productivity, such conditions must be held to constitute an infringement of 'natural' rights of property ;" and it is equally an infringement for another individual to enjoy "goods" in excess of these requisites—a consideration fatal to all forms of "unearned" income. Mr. Hobson takes occasion to suggest that the energies of the charity organization society are somewhat inconsistently confined to "the poor :" for "it is money given without corresponding service rendered, power of enjoyment detached from its natural antecedent of human effort that constitutes the wrong," not only of charity, but of bequest and inheritance, and other sources of "economic parasitism"—a wrong against which the usual defence of a "leisured" class is shown to have no substantial case.

From these somewhat "radical" considerations, Mr. Hobson turns to the "individualist" solutions. He has something to say as to the insufficiency of "moral socialism" in its various forms; but "the greatest single source of error is the failure to understand the claim of society to property based upon the ground that society is a worker and consumer." Society, as a maker of "values," has also a natural right of property, what are called "unearned increments" being, in truth, the earnings of society. Just as an individual suffers in the efficiency of his work and life, and in his capacity of progress, if he is deprived of that property in the result of his labour which is necessary to support and educate his powers, so does an organized society; and "every defence of the principle of individual property is likewise a plea for social property." Mr. Hobson thus reaches a view of progressive socialism which "turns the edge of the stock arguments of the individualist school by basing the claims for social property upon the same reasoning which defends individual rights of property;" the common basis being a reference to the work and the needs of individuals and of societies. Private property for individuals and social property being both justified from the standpoint of "needs," as interpreted by "social utility," can we draw any line of demarcation between them?—can we, in other words, assign any limits to collectivism? The answer is—Give to the State the routine industries which supply the common services of the consuming public, and leave to private enterprise the supply of "the more refined, erratic, individualistic demands of citizens." Thus real "harmony" between industrial socialism and individualism will be attained by "delimitation of the respective provinces of machinery and art." This antithesis (which is, of course, not a rigid one) between routine industries and arts is afterwards applied to "socialism in the arts and professions." In a chapter on "Land and Agriculture" Mr. Hobson sketches the lines of a true social policy regarding land. There remains the field of "humanitarian socialism," which is maintained to be not less sound because it can and should be distinguished from "scientific evolutionary socialism." The problem of population is a problem of "quality," and can only be met by a social policy of "rational" rejection of the unfit.

The principle, "From each according to his powers, to each according to his needs," has been thus shown to be, when rightly interpreted, a law of social expediency covering all economic conduct. If we realize that the opposition between the individual and society is only an opposition of aspects, we can effect a general and genuine harmony between the opposed claims of individualism and socialism—between the needs of "individuality" and of social organization.

One of the gravest dangers of modern society is the tendency to "overspecialism," whether in industrial or intellectual life. Mr. Hobson tentatively adopts the ideal of a working day which would divide it into two portions—"one in which routine work is done for direct public ends, the other being given to the free exercise of individual interests and desires."

Social progress being regarded as "a progressive economy of waste," which, in its quantitative aspect, gives us the industrial maladies of "unemployment and misemployment," the one thing needful for dealing with this "quantitative and qualitative waste of life corresponding with, and causally related to, the waste of work" is a sociology based on the joint and related studies of physiology and psychology; for the supreme condition of social progress is that society should know itself. The social question is sufficiently complex, regarded only as a problem of the waste in individual and social life; but there is also the waste in national life—the waste of energy involved in modern policies of "expansion." Finally, Mr. Hobson concludes his treatment of the social question by dwelling upon the moral and intellectual forces that underlie its solution.

This sketch of Mr. Hobson's argument is necessarily imperfect; but it may serve to send the reader to a study of the original. Where he will be least inclined to agree, he will be most compelled to think. The organic method of Mr. Hobson—the method of "seeing things together"—has, of course, like every other good thing, the defect of its quality: wholeness of view is often akin to abstractness and one-sidedness of treatment. Mr. Hobson himself refers to the way in which particular "temperamental valuations and focus" affect the conception of what is "socially desirable;" but it must also affect the attempt to view the socially desirable as a "complete rational whole." Thus, Mr. Hobson works throughout with certain formulæ, or "laws," of social growth and progress, which must appear to some students as too narrow and rigid, to others as too wide and vague. Still, the effort to see things as a whole, or under the form of "the good," is *πλειον η ημουν παντος*, and there are few "thinking men and women who are interested in the work of social reform," who will fail to recognize that Mr. Hobson has furnished "satisfactory intelligible principles for guidance in their work"—even if they are made aware, at the same time, of certain neglected or questionable elements in his study. This is, at any rate, Mr. Hobson's object, and the result is a contribution to the prolegomena of sociology which can be heartily commended to the attention of those who seek for "order" in their social thought and conduct. In the somewhat arid and dreary waste of

“sociological” literature, it is refreshing to come upon a book of such stimulating and suggestive quality ; and, if it may seem to some minds rather “at large” and “theoretic,” it is also full of relevant and significant ideas.

It may be added that the substance of the volume was first delivered, in the form of lectures, to the London branch of the Christian Social Union.

SIDNEY BALL.

POVERTY : A Study in Town Life. By B. S. ROWNTREE. [xxiii., 438 pp. 8vo. 10s. 6d. net. Macmillan, 1901.]

The writer of this striking book is a son of Mr. Joseph Rowntree (joint author with Mr. Sherwell of *The Temperance Problem and Social Reform*), and is a member of the well-known firm of cocoa-manufacturers in the city of York, which employs at the present time over two thousand persons. His work is an exhaustive study of the conditions of life in York, and is a valuable extension of the work of Mr. Charles Booth. It is, indeed, to Mr. Booth that the author ascribes the impulse which drove him into this inquiry. The earlier inquiry revealed a mass of poverty in London which affected no less than 30·7 per cent. of the population. Was London an exceptional case, or was it fairly representative of city life in general ? Mr. Rowntree was convinced that only a similar careful study, conducted in a typical provincial town, could afford the answer ; and he set himself, with the help of a few well-qualified assistants, to the herculean task of making a personal inquiry into the conditions of every working-class family in a city of over seventy-five thousand persons. Minute particulars were noted down of the number, and sex, and age of the persons in every house, their occupations, the rent they paid, and the size and condition of the house itself. Their earnings were calculated partly from the recognized rates for skilled labour in York, and partly from the author’s knowledge, as an employer, of the rates prevailing in different lines of work. The facts thus ascertained were checked by reference to clergymen, district visitors, and others, who possessed intimate knowledge of different parts of the city, and the author is satisfied that they can be relied on as correct. “Particulars were obtained regarding 11,560 families, comprising a population of 46,754, or almost exactly two-thirds of the entire population.”

These were divided into classes according to the magnitude of the family income, corresponding broadly with those in Mr. Booth’s inquiry. Particulars are stated of the number and condition of the persons in each class, and specimens are given from the investigators’ note-books, showing the state in which they were found to be living.

The average earnings per family, taking all the classes together, and making full allowance for overtime, for supplementary earnings of wives and children, for money paid by lodgers, etc., and, on the other hand, for sickness and short time, Mr. Rowntree worked out at 32s. 8 $\frac{3}{4}$ d. a week.

The question of the volume of poverty was entered into with admirable thoroughness. So far as I am aware, Mr. Rowntree is the first inquirer who has attempted to separate, in any accurate manner, poverty of income from poverty due to misspending—or, as he expresses it, “primary,” from “secondary” poverty. Taking first the question of poverty as a whole, and counting up the families which were noted by the investigator as being insufficiently fed and clothed, the author found that 27·84 per cent. of the population were in this condition—a result which is in striking agreement with the 30·7 per cent. given by Mr. Booth for London, particularly when it is noted that the York inquiry was made during a time of general prosperity.

The separation, from among the 20,302 persons thus found to be in poverty, of those whose income, however carefully spent, was insufficient to maintain them properly, was a task of enormous difficulty, but it appears to have been successfully accomplished. It is, undoubtedly, the most original and valuable part of Mr. Rowntree’s work; and though it is sure to be adversely criticized, it will, I believe, emerge without substantial damage, as a noteworthy addition to our knowledge of economic facts.

The method adopted was, briefly, as follows. The works of the leading physiologists were searched and compared to find the minimum quantity of food needed to maintain an average man at moderate labour. The minimum adopted was 125 grains of proteid matter, and 3500 calories of energy value (including that afforded by the proteid food) per day. This, it is pointed out, had been verified by Dr. Dunlop in a series of dietary experiments made upon prisoners in Scotland. Then a dietary was selected which would just yield this minimum of energy—the dietary chosen being the cheapest of those specified in the latest regulations of the Local Government Board for use in workhouses, and including, it may be noted, no butcher’s meat. Fractions of the amount needed by a man were taken to represent the minimum requirements of a woman, and of children at different ages.

The next thing was to find the cost of such a minimum dietary. For this purpose a number of “budgets” were kept for two or more weeks, by a number of working-class families known to the author. These are printed at length in an appendix to the book, and appear to have been kept with great accuracy. Everything bought was

noted down, with the price paid for it, and these prices were taken as the standard. In this way it was found that the minimum cost per week for food alone for a man was 3s. 3d., for a woman 2s. 9d., and for an average child 2s. 3d.

For the cost of clothing, very careful inquiry among the poorest class of labourers enabled the author to hit upon the not extravagant figure of 26s. yearly, or 6d. a week, for each man or woman ; and 5d. for each child. For house-rent, the rents actually paid were taken as the minimum necessary. For fuel, Mr. Rowntree reckoned 1s. 10d. per week per family, and for all other sundries 2d. weekly for each person.

In this way it was possible to state the minimum cost of living for a family of any given size. For a man, his wife and three children, the amount works out at 21s. 8d. per week. Then it only remained to compare the incomes actually earned with those required to supply the minimum of healthy living ; and thus Mr. Rowntree found that no less than 1465 families, comprising 7230 persons, and forming 9.91 per cent. of the whole population of the city, were too poor to maintain themselves in physical efficiency, even if every penny of their income were spent in the most economical manner.

The significance of this figure, if it is not successfully challenged, and if, as is probable, it enables us to infer that at least one in ten of all the families in this country is in the same condition, can hardly be over-rated. It means that, broadly speaking, competitive industry does not guarantee "a living wage" to those who have nothing to offer but common or unskilled labour. It means that the old theory of "bare subsistence" as determining the rate of wages is gone for ever, for, in fact, wages do not tend towards that level : the earnings of skilled labour are, and remain, for the most part, considerably above it ; while the wages of unskilled labour generally, and in the "sweated" trades especially, may be forced indefinitely below it. So far from the latter condition tending to right itself, the physical inefficiency it induces tends to become permanent.

The chapter on "The Poverty Line" is followed by an inquiry into housing in York, in which, while deplorably wretched conditions are freely indicated, it is shown that the proportion of overcrowded persons is smaller than in most of our large towns ; and this is followed by a chapter on the "Relation of Poverty to Health." The city being divided into districts (poorest, middle, and highest), it is shown, on the basis of the facts collected, that "the rate of mortality among the very poor is more than twice as high as amongst the best-paid section of the working classes." To test the effect of poor conditions of life on children, Mr. Rowntree had nearly 2000 school children weighed and

measured, and their general physical condition noted, the result showing a striking inferiority in height, weight, and condition in the case of those who came from the poorest districts.

A long chapter is devoted to an examination of the working-class "Family Budgets" already mentioned, the careful analysis of which fully confirms the previous conclusion that "the labouring classes, on whom the bulk of the muscular work falls, are *seriously underfed*." Finally, the author sums up the chief conclusions to which the inquiry leads. The problems they suggest he only hints at, concluding with these words:—

"The object of the writer has been to state facts rather than to suggest remedies. He desires, nevertheless, to suggest his belief that, however difficult the path of social progress may be, a way of advance will open out before patient and penetrating thought, if inspired by true human sympathy.

"The dark shadow of the Malthusian philosophy has passed away, and no view of the ultimate scheme of things would now be accepted under which multitudes of men and women are doomed by inevitable law to a struggle for existence so severe as necessarily to cripple or destroy the higher parts of their nature."

A supplementary chapter deals with a number of facts which throw light on the conditions of life in York, but are not essential to the main purpose of the inquiry. These are grouped under the headings "Public-houses and Clubs," "Education," "Trade Unionism," "Co-operation," "Friendly Societies and Life Insurance," and "Poor-Relief." Figures are presented showing how York compares with other towns in these matters, the impression given being that, in most respects, it holds an intermediate position. In addition to these subjects, Mr. Rowntree had a special "Church Census" taken on two successive Sundays. The result was that, assuming half the morning congregation attended a place of worship again in the evening, the number of persons apparently over sixteen years of age who were present at public worship on one day was 13,402, or 28 per cent. of the adult population of York.

It is impossible to speak too highly of the care and ability shown in planning this inquiry, the thoroughness with which every clue that could throw light upon the central problem has been followed up, or the painstaking accuracy with which the gigantic task of collecting, tabulating, and analyzing such a mass of material has been carried through. The book is a mine of information for the economist, the historian, and the social reformer.

EDWARD GRUBB.

LE COMPAGNONNAGE : son Histoire, ses Coutumes, ses Règlements, ses Rites. Par E. MARTIN SAINT-LÉON. [xxviii., 374 pp. Crown 8vo. 4 fr. Colin. Paris, 1901.]

The author of *L'Histoire des Corporations de Métiers* here presents us with another carefully written monograph of the greatest value to the historian of labour. He has selected for treatment a very clearly marked and determinate subject, in that the "companionship," though the direct ancestor of the trade union (*syndicat*), has always maintained a separate existence, even during the last sixty or seventy years, when the "industrial revolution" has been steadily forcing upon it the alternative of utterly changing its nature or dwindling into a mere survival. The old companionships united in themselves the functions of several modern institutions devised by the working man in his own behalf. They were trade unions that sought to keep up wages by means legitimate or illegitimate. They were benefit societies. And in a rudimentary way they were co-operative societies, at once productive and distributive, and having the ideal of education, at all events of technical education, before their eyes. They essentially belonged, however, to another epoch—the epoch of unspecialized local trade and hand labour, when the qualities required of the good workman were ingenuity and taste rather than those which a mechanical age insists on—punctuality, attention, patience, and quickness in executing automatic tasks. Hence, on the biological principle that death has the special function of expediting the survival of the fittest forms, "companionship," instead of having laboriously converted itself into trade-unionism, struggles on by its side as a doomed and effete type of labour-association that numbers no longer more than some ten thousand active members. The *Tour de France*, which enabled the craftsman to compare notes with his fellows throughout the country, has lost its usefulness now that steam and machinery have, so to speak, standardized industry, reducing the processes of manufacture, which formerly varied considerably from province to province, to a more or less uniform type. The very rites and ceremonies of the companions, curious by-products of mediæval Christianity, tempered doubtless by a deliberate resolve on the part of the brotherhoods to invest the *Devoir*—the duty they vowed to God, to the master, and, last but not least, to themselves—with the sanction of mystery, can have little effect in a sceptical age save that of rendering the "child" of Solomon, of Maître Jacques, or of Soubise, ridiculous in the eyes of the uninitiated. In short, their day is over, and nothing remains but to chronicle their history as an object-lesson fraught at once with encouragement and warning for their modern counterpart the trade union, on which,

according to our author, the salvation of the industrial society of the future almost wholly depends.

The origin of the companionships is shrouded in obscurity. There is reason to think, however, that the construction of the great cathedrals at Laon, Noyon, Reims, Paris, and so on, may have called into existence associations of craftsmen regulated by special ordinances, practising secret rites, and educating themselves up to an appreciation of the sacredness of their functions (as, for instance, when they taught their members to read symbolic and esoteric meanings into various forms of carving in stone). In that case they would seem to have arisen in much the same way as the societies of the German free-masons, whose earliest "lodge" (*bauhütte*) was apparently founded at Strasburg in connexion with the building of the cathedral in the thirteenth century. Once originated, the French "companionships" were not slow in developing a vigorous life, some institution of the kind being required to champion the cause of the humbler class of workmen against the rising tyranny of the merchant-guilds, which, from the fifteenth century onwards, but most notably in the seventeenth and eighteenth centuries, were the chosen instruments where-with an oligarchy of middle-class monopolists sought, under the *segis* of the State law, to grind down the face of the *petit ouvrier*. It is surprising to find that, as early as 1539, the printer-companions of Paris and Lyons were actually able to organize a joint strike in the interests of their order. This is the more remarkable seeing that the strikes of former times, though not infrequent, were almost invariably local, both as regards their causes and their effects. Doubtless it was the power revealed by such a triumph of organization as this, taken in connexion with the attitude of the "companions" towards "blacklegs," rather than any tampering with the practices of religion, that caused the Theological Faculty of the Sorbonne to pass formal sentence on the institution of "companionship" in 1655. Henceforward, till the days of the First Empire, or even later, the brotherhoods suffered a continual persecution; which, however, had but the effect of strengthening the ties that bound their members together. Then, for the first thirty years or so of the nineteenth century, though perhaps more especially under the Restoration (1815-1830), these associations, representing as they did the sole form of organization then existing amongst working men, enjoyed a prosperity that was disturbed only by the foolish dissensions and rivalries between the various bodies of companions. Finally, about 1840, precisely as the literary world for the first time came to be aware of the scientific and even romantic interest attaching to the subject handled by Agricol Perdiguier in his

Livre du Compagnonnage, and by George Sand in her *Compagnon du Tour de France*, there came the industrial revolution, and with it a call for institutions unencumbered with ancient traditions, and able to respond to the new spirit of the times.

M. Saint-Léon has throughout dealt with his theme from the objective standpoint of the impartial historian, and, save in his last chapter, makes no attempt to draw any moral as he goes. His book, however, contains many a lesson for the modern trade unionist, teaching him at once what to avoid and what to aim at. Thus, on the one hand, more than one reprehensible practice, not without its modern parallel, helped to discredit the cause of labour in its struggles with capital—as, for instance, the attitude of the “companions” *contre les apprentis de leur métier qui ne sont pas de leur cabale* (Sentence of the Sorbonne, 1655). And though modern times have happily been free from any serious dissensions between competing organized bodies of the same trade, or of allied trades, it may be as well to take warning in time from history, lest the party of labour fail at a crisis to present an unbroken front. On the other hand, if organized labour is to control the destinies of civilized Europe in the future for good, it needs, above all things, a high ideal. And this the old companionships assuredly had. For one thing, the fact that they were trade unions, benefit societies, and co-operative societies in one, helped to focus, as it were, the various aspects of that common weal to which the wage-earning masses aspire as a class. Moreover, they taught the artisan to think of himself as an artist. Finally, it is hardly fanciful to discern in the semi-religious mysteries of the banded crafts an appeal to the higher sanctions of social conduct, that might help to elevate their rallying-cry of *Devoir* into something more than a token of narrow class-interest, and remind the united workers of their function as elements in a larger union of souls.

R. R. MARETT.

THE EVOLUTION OF MODERN MONEY. By WILLIAM WARRAND CARLILE. [373 pp. 8vo. 7s. 6d. net. Macmillan. London, 1901.]

The application to Political Economy of the historical as opposed to the deductive method is, of course, no new thing. Few writers, however, in recent times have so well exhibited the infinite possibilities for revolution in economic theory to which the historical spirit is capable of giving rise as Mr. Carlile. If he has not solved once for all the problems of money, he has at least pointed out the road along which alone any advance can be expected. The book is divided into two

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parts, historical and theoretical. In the first part, the aim is to show that transitions from one standard to another have been "unconsciously evolved." The underlying truth in such a metaphor, which ought, perhaps, to be applied with caution to a mental science like economics, is, of course, unquestionable—namely, that changes in currency have always preceded their conscious formulation in law. In substantiating this principle, Mr. Carlyle, with equal learning and industry, passes in review first the transition from copper to silver and then from silver to gold in Rome, and then the latter process in Europe, more particularly in France and England during the Middle Ages and in later times.

Mommsen's *Histoire de la Monnaie Romaine* in the first instance is very largely followed; an appendix, however, is added, to show to what extent modern numismatic evidence modifies Mommsen's view. But one of the points the author raises seems rather to support than modify it. "The *as libralis*," Mr. Carlyle says, "was not a coin of ten ounces in weight—as Mommsen took it to be—but one of twelve." But the facts seem to be that whereas the heaviest asses weigh between eleven and twelve ounces, before the end of the fourth century B.C. the effective weight of the *as* was ten ounces.

Taking Anderson's *Annals of Commerce* as his chief authority, and quoting the evidence of State loans, ransoms, indemnities, and marriage portions, the author conclusively proves that, contrary to the usual view, even as early as the reign of Edward III. the real latent standard in England was gold. The interpretation of this historical retrospect, embodied in the theoretical part of the book, is so entirely new as to appear almost paradoxical. The origin of money he finds in the desire of man to find a commodity, whose value should be as invariable as possible, as a store of purchasing-power rather than as a medium of exchange; such a commodity would necessarily be one for which men felt an insatiable want: desire for distinction answers to this description, and ornament satisfies the craving; thus ornament in some form is the origin of money. As civilization advances, desire to display any special kind of ornament gives way to that of possessing the general power of expenditure on ornament or those superfluities which are the outward signs of wealth: thus the desire for whatever became the medium of exchange grew to be insatiable, so that there is no reason why this commodity should fall in value whenever fresh discoveries chanced to cause an increase in its supply. Such is the way in which gold became fixed. The whole argument is based upon a number of startling positions. It will be sufficient here to mention two. Gresham's law is said to be applicable only to subsidiary money, and the author has no difficulty in taking cases of apparent bimetallism and showing that

silver is really subsidiary, and that it is to this alone that the law applies; whereas the contrary tendency, namely, that the better coin ousts the worse, is always the law in the case of the true standard coin. The author, however, does not refute Gresham's law in an admittedly bimetallic country, as he should do, if he wishes to establish the contrary principle as universal. If Ricardo's qualification be borne in mind, that the body of good and bad money must, in order for the law to act, be in excess of the needs of the community, most of the author's arguments against the law will be sufficiently explained. To prove that the law only operates in the case of internal payments, strong arguments are brought forward both from history and probability; but that internal payments are necessarily made by *subsidiary* money is not proven.

Another new element in Mr. Carlile's theory is the denial of the generally received law of supply and demand; this seems to arise from a misconception of the meaning of an economic law as expressing a tendency. The increase of supply cuts down values, the author says, only in so far as it satiates demand. Assuredly it *tends* to cut down values, even though it does not reach satiety. It may be admitted, to take one of his instances, that the supply of gunpowder to one tribe or family of Maoris created a demand for the same commodity among others; but this consideration does not invalidate the law that the increment in the supply to the former tends to diminish the utility or "wantedness" of the thing in that tribe. In the same spirit a curious contrast is drawn between Xenophon's "economic man" and that of the Austrian school. Xenophon, he says, displays men as "full of all the variety and all the frivolity of true human nature," exemplified by their insatiable desire for silver, whereas the modern theory "assumes men to be perfectly rational beings, always animated by the pure hedonic impulse." If the author merely means that there are other elements in human nature equally important from an economic point of view, such as the love of ornament, it would have been better to say so, without travestyng his opponents' position in such a way as to show that he completely misunderstands the methods of a science which, in order to reach any degree of accuracy, must needs be more or less abstract.

For a book ranging over a subject so wide and generally so dull, this is remarkable for its clearness, brilliance, and absorbing interest. The style, especially in the latter part, where the author's imagination is allowed full play, is in very pleasant contrast with the ordinary book on economics.

W. H. YOUNG.

THE PRINCIPLES OF MORALITY AND THE DEPARTMENTS OF THE MORAL LIFE. By WILHELM WUNDT, Professor of Philosophy in the University of Leipzig. Translated by MARGARET FLOY WASHBURN, Ph.D. [xii, 308 pp. 8vo. Sonnenschein. London, 1901.]

This is the third and final instalment of the translation of Wundt's *Ethics*, which has been executed under the direction of Professor Titchener. The parts that have already appeared contained Wundt's account of the facts of the moral life, and of the theories of the system-makers; but they were merely introductory or preparatory studies towards the construction of ethical principles contained in the present volume. In view of Wundt's attempt to base his ethical theories upon an empirical foundation, it is noteworthy that they present a greater affinity to the ethics of speculative idealism than to the ethics of evolutionary naturalism. He emphasizes the idea of development and evolution, but he has nothing in common with the individualistic and utilitarian tendencies of Mr. Spencer's ethics. So far as he lays stress on the conception of the social will, he is more akin to Mr. Leslie Stephen or Professor Alexander. On the other hand, an ethics of naturalism becomes in Wundt's hands an ethics of idealism: transcendental results are reached by empirical means. The ultimate end of human morality is the moral ideal, and its immediate end is the progressive perfection of humanity. Perfection, however, is but a "fictitious concept" if it is understood in a eudæmonistic or utilitarian sense; "the idea of perfection has no independent significance unless we realize that the ultimate moral end is ideal, to be reached only in approximation." This means that happiness "has little ethical importance:" it is not the end, but a "by-product, of moral effort, though at the same time an aid to morality."

"Since the moral ideal belongs to the realm of the infinite, our only way of defining it is to characterize it indirectly in two ways. In the first place, we may define it positively as meaning the development of all the psychical [better, 'spiritual'] forces of mankind in their individual, social, and humanitarian functions [better, 'activities'], a development that progresses beyond every stage once attained, and proceeds to infinity. Secondly, we may define it negatively by saying that it involves a progressive diminution of all the influences tending to check this development" (pp. 90, 91).

This may perhaps sound somewhat vague, even for a regulative idea; and it may be questioned whether its philosophical framework will bear testing. This, however, being the moral end, the highest moral motives are those which "proceed from the thought of the ideal

destiny of man," and the highest moral "norms" are, in general, those which express the more comprehensive duty. (It has been explained in the first volume that ethics is *par excellence* "a science of norms.") The discussion of the moral norms involves the consideration of legal norms, resulting in a philosophy of law not substantially different from that of the Hegelian school. Finally, we are brought to the field of practical ethics. Theoretical ethics is of the past, the field of practical ethics is the future : having, that is, deduced from the history of moral ideas the norms that are to guide the development of the future, we are in a position not only to estimate the means most favourable to their development, but also to forecast the forms which the moral life is likely to assume in the future.

It is this part of the inquiry—entitled by the author "The Departments of the Moral Life"—which the general reader and the social student will find most interesting and suggestive. The author traverses all the phenomena of social life with a view to discovering their significant connexion in the light of the ethical principles which underlie the social order. This is rightly regarded as the culmination of ethical inquiry : for it is the essence of the ethical end that it tries to comprehend life on all sides, to see it steadily and as a whole, to regard it not from the abstract view represented by this or that political or social dogma, but in the light of "the moral purposes of the whole ;" and it is the special problem of applied ethics to find the place which each right and each duty required by the moral order of life takes in the system of rights and duties of which it is to be a part. I could wish I had space to dwell on some of the practical conclusions reached by our author ; it must suffice to say that these chapters are not only admirable in temper, but a fine expression of the wisdom that comes from a philosophic survey of life—a wisdom which is as fruitful in construction as it is wholesome in criticism. The value of the author's conclusions in regard to property, occupation, and culture, to the family, social classes, and associations, to the functions of the State, lies not in originality, but in comprehensiveness of view. The philosophic bias is evident ; but the handling is remarkably free from pedantry and "the idols of the cave." On the contrary, it is marked throughout by shrewd observation and practical wisdom, as well as by a sane and reasonable faith ; nor does catholicity stand for unprogressiveness of view in a philosopher who sees the highest form of the moral idea in "the consciousness of a common human life, directed throughout history towards the solution of moral problems."

There is much moralizing in these concluding sections, but it is good moralizing : for it is an attempt to present a reasonable view—a right

arrangement according to affinity and value—of the facts of the moral life, based upon a broad and impartial “criticism of life;” and what greater or more appropriate service can an ethical philosopher render to his generation than this?

SIDNEY BALL.

THE ETHICAL PHILOSOPHY OF SIDGWICK. Nine Essays, Critical and Expository. By F. H. HAYWARD, M.A., B.Sc., Fellow of the College of Preceptors. [xxiv., 275 pp. Crown 8vo. 4s. 6d. Sonnenschein. London, 1901.]

From the point of view of those who have to study the late Professor Sidgwick's *Methods of Ethics* as an examination text-book, Mr. Hayward's commentary is an altogether admirable production. The student is advised how to read his author so as to take the easiest passages first; a careful outline is supplied of the constructive, as opposed to the merely critical, portions of the book; the matter is carefully expounded under well-chosen heads; and, last but not least, an excellent bibliography is appended, affording a key to Sidgwick's scattered publications and to the chief criticisms (most of which are summarized in the body of the commentary) which the *Methods* have called forth. Nor can it be said that Sidgwick's moral philosophy, although it has only been before the public for some thirty years, and has but even now ceased to grow and expand, stands in no need of the friendly scholiast's aid. The greatest admirer of Sidgwick's work must allow that, owing to a certain “defect of his qualities,” he does not furnish his readers with any clear idea of his final convictions. His very open-mindedness and impartiality make him seem to hesitate and waver. He was, however, the last man to acquiesce in contradictions. When he read his paper on “The Philosophy of T. H. Green” before the Oxford Philosophical Society a few weeks before his death, he took occasion to protest, in a speech full of point and humour (which those who were privileged to hear it are not likely to forget), against what he conceived to be the nerveless and thought-paralyzing spirit in which certain neo-Hegelians were content to accept a self-contradictory experience “for us” as a necessary set-off to the perfection of the Absolute. Now, Mr. Hayward most successfully hits the golden mean between forcing upon Sidgwick's ethics a consistency it cannot claim, and reducing a closely reasoned body of doctrine pervaded by a provisional and therefore unstable dualism to a mere mass of rags and tatters. And when the commentator not unnaturally seeks to indicate how, in his opinion, Sidgwick's moral philosophy might most easily be rounded off into a system, namely, by means of a distinction between

the egoism that expresses mere personal liking and the egoism that embodies an "ought," the former of which, he thinks, might be "suppressed" as falling outside the sphere of an ethics altogether, he refrains from attempting to read his view into his original—an act of literary continence to the level of which the sympathetic annotator is by no means always able to rise.

Indeed, so capable is Mr. Hayward as an expounder of others, whether it be Sidgwick or his critics, that one is tempted to regret that the self-imposed limits of his task have not allowed him to come forward more frequently as a moralist with independent views. Perhaps I may single out one as most interesting amongst the ideas that he contributes on his own account. He draws an analogy between the controversy conducted between Sidgwick's "two voices"—the voice that proclaims "Before all things I am I," and the voice that pronounces in favour of an impartial distribution of happiness on quasi-mathematical principles—and the psychological controversy as to the nature of space discussed in Professor Ward's well-known *Encyclopaedia* article. Egoism, he suggests, corresponds to a theory of perceptual space whereof the "here" of the percipient is the centre, and "rational benevolence" to a theory of conceptual space, such as we find in Euclid. This is so good that we should have liked to have the writer's opinion whether "orientation" round a personal self is to be recognized in ethics, or whether the abstract, quantitative method to which Sidgwick undoubtedly leaned is the more valid; and, if so, where precisely he would draw the line *round* ethics. Perhaps we may look forward to another work from Mr. Hayward's pen, whereof "orientation" round his personal views will be the leading principle.

R. R. MARETT.

THE POVERTY OF INDIA. By DADABHAI NAOROJI. [xiv., 675 pp. 8vo. 10s. 6d. Sonnenschein. London, 1901.]

Mr. Dadabhai Naoroji is a Parsee gentleman, who has for many years resided in England for business purposes, and who formerly represented Central Finsbury in the House of Commons. He has long been known as a strenuous advocate of the claims of India; and the present volume is a collection of his writings on Indian subjects, extending over a period of nearly thirty years, and containing a great deal of somewhat wearisome repetition. But when a reader is invited to study with close attention a work crammed with statistical tables, he may reasonably expect that the figures shall be the latest and most accurate available. Of late years there has been a very great improvement in Indian statistical information; and very probably Mr. Naoroji's

criticism of the older figures had some effect in bringing about this result. But the figures with which the pages of this book bristle date from an earlier period. As long ago as 1873 Mr. Naoroji prepared an elaborate memorandum on the Poverty of India, which at that time evoked a considerable amount of criticism : that memorandum and a reply to some of this criticism make up nearly a quarter of the present book ; and all those pages are essentially a minute examination of old and discredited figures. The rest of the volume is a collection of memoranda, articles, letters, speeches, and addresses of various dates from 1880 to 1900 ; it is, in fact, rough material from which Mr. Naoroji might have prepared a valuable and interesting book of about one-third the size.

The main point on which Mr. Naoroji insists is that India is essentially a poor country ; and in this contention he is undoubtedly right. It is not easy to estimate the gross annual production of wealth even in a country like England, and the task is still more difficult in India ; and even if a fairly accurate estimate of the average annual income per head of the population can be made, this result is not in itself particularly valuable. The question of the distribution of wealth is almost as important as that of its gross amount ; and there are great differences between the various Indian provinces in both respects. Generalized Indian statistics are about as valuable as similar figures for the whole of Europe. The really valuable statistics to an administrator are those which compare the conditions of populations living under similar physical conditions, but under differing economical and political arrangements. Still it is very desirable that the English public should realize the fact that the average production of wealth per head in India is, judged by any European standard, very small indeed.

Another point to which Mr. Naoroji has persistently drawn attention is that the rule of India by England, which he admits to be generally beneficial to the former country, has the disadvantage that it involves a large annual excess of Indian exports over imports. India has not only to remit to England interest on her debt, but also to pay the pension and furlough allowances of civil and military officers resident in England, and to meet various other charges, one of the heaviest of which is the demand made on India for expenditure in England in connexion with the British army maintained in India. This drain is increased by the fact that English officials, who do not ordinarily make India their permanent home, remit large sums to England as savings and for the maintenance and education of their families. It cannot be denied that this continual excess of exports must in itself have an evil effect on India ; it may, indeed, be asserted that it is the necessary result of the connexion of India with England ; but granting this, and

granting further that the peace and order which English rule has brought to India have increased the annual production of wealth far in excess of this annual drain, still it is incumbent on those who profess that England rules India for India's own benefit, or, at any rate, for the welfare of both countries, to see that all the charges made against India are strictly just, and that they are not increased by the employment of more Englishmen in India than are actually required.

Mr. Naoroji constantly refers to the passage in the Queen's proclamation of 1858, when she assumed the direct rule of British India : "And it is our further will that, so far as may be, our subjects, of whatever race or creed, be freely and impartially admitted to offices in our service, the duties of which they may be qualified, by their education, ability, and integrity, duly to discharge." And an interesting and somewhat amusing part of the present volume consists of his correspondence with the War Office and the Admiralty, in which he maintains that natives of British India are entitled to be admitted to the commissioned ranks of the British army and navy. Lord Lansdowne and Mr. Goschen declined to allow this, but they did not fairly meet the point raised by Mr. Naoroji. He contends that in India itself an honest compliance with the terms of the proclamation has been avoided. But the proclamation has the saving clause "so far as may be," and ability is not a matter of intellect only. It is quite consistent with the promises of the proclamation that arrangements should be maintained to secure a certain proportion of English officials in the higher Indian services ; but in the past back doors have been kept open for the sons of Indian officials, and all these doors are not closed even yet. Still, much has been done to secure that the employment of Englishmen in India shall be regulated by the necessities of the administration, and not by the desires of influential persons to find employment for their sons or other relatives ; and Mr. Naoroji's persistent advocacy of the Indian claims has probably aided in bringing about this result.

F. C. CHANNING.

THE STORY OF THE STOCK EXCHANGE : Its History and Position. By CHARLES DUGUID. With Illustrations by JOSEPH PENNELL and DUDLEY HARDY. [463 pp. Crown 8vo. 6s.

Grant Richards. London, 1901.]

HOW TO INVEST AND HOW TO SPECULATE. By C. H. THORPE. [297 pp. Crown 8vo. 5s. Grant Richards. London, 1901.]

Mr. Duguid claims in the preface to his book that the "story of the Stock Exchange" is a subject that appeals "not only to those

who take interest in the growth, traditions, and status of our important institutions ; but also to those who take interest in a true fascinating story." This is undeniably true ; but to the general body of readers the social influence which the Stock Exchange has had upon the community at large would be the most interesting feature of a history of the great market for stocks and shares. Unfortunately, however, where Mr. Duguid discusses the effects of the development of the Stock Exchange, he does so only in its bearings upon persons actively engaged in the world of finance. Of the manner in which it affects the great bulk of the people who have no direct dealings with the Stock Exchange, he has very little to say.

The author has succeeded in shaping into a coherent narrative the fragmentary accounts of which the early history of the Stock Exchange has hitherto consisted. He has traced the development of the "House" from the time when its business was carried on in any nook or corner of the City by men who, in the popular estimation, were only a shade higher in the social scale than convicted rogues, to the proud position which it now holds as "the mart of the world, the nerve-centre of the politics and finances of its nations, the barometer of their prosperity and adversity." This, by the way, is a very glowing account of the position to which the Stock Exchange has attained ; but it is typical of the author's opinion of that institution ; and he maintains the same high note of praise throughout the book. The Stock Exchange hardly deserves such a flattering description. Certainly it may be said that it is a nerve-centre of the politics and finances of nations ; and, in this connexion, it is interesting to note that, despite the evil reputation in which it was held in the early part of last century, it had even then become to be recognized as the best index to the state of international politics. But the business of the Stock Exchange is disturbed by so much wire-pulling that, if it be a barometer of national prosperity and adversity, it is a barometer which is constantly getting out of order ; and it is no more the "mart of the world" than is the Lancashire cotton market or the American corn market, each of which shares with the London Stock Exchange the distinction of being pre-eminent in its own particular department.

An important point, in which we can cordially join hands with Mr. Duguid, is his appreciation of the efforts which the committee of the Stock Exchange have made to keep their house in order. From the earliest times, the committee have done everything in their power to put a stop to the dissemination of false rumours and other sharp practices which have been adopted with the view of artificially raising or depressing prices ; and if speculation in stocks and shares has

developed into the favourite form of gambling, it is not the fault of the committee. Take, for example, dealings in options and pre-allotment transactions. Numerous attempts have been made from time to time to put a stop to these forms of gambling. At one time there was an absolute rule against pre-allotment transactions ; but the prohibition had to be withdrawn through sheer weight of public opinion. This is interesting as showing that, in finance as in politics, reforms, no matter how beneficent in intention, cannot be successfully carried out if the public are not in a fit condition to receive them. The real reason for the failure of the committee to put a stop to gambling on the Stock Exchange is that many people are the victims of an inborn craving for speculation. When one form of gambling becomes very pronounced, a check may be administered by legislation or by strong social influence. But it is only a check : it is in no sense a cure, and other means of slaking the thirst for speculation are eagerly adopted.

Mr. Duguid attributes the extraordinary growth of the Stock Exchange to the increase of wealth, and the consequent necessity of finding investments. But, while fully realizing the important effect which this has had upon the development of the Stock Exchange, it must not be forgotten that much of the speculative fever which once found its vent in race meetings, prize fights, and card parties has been diverted to dealings in stocks and shares ; and this diversion has been a very powerful factor in the development. That such speculation should take place at all is certainly to be deplored ; but we have to encounter hard facts. A certain class of men—and women too, for the matter of that—insist upon indulging in it so long as they have the means to do so ; and, if this gambling be unavoidable, it is better for it to be carried on under the control of a committee which has, over and over again, proved itself to be thoroughly honest and straightforward, than under the haphazard and often brutalizing conditions under which it was formerly the custom to conduct it.

It is characteristic of the different spirits in which Mr. Duguid and Mr. Thorpe have approached their subjects that, while the former attributes the development of the Stock Exchange to enhanced national prosperity, Mr. Thorpe apparently holds the view that more speculative, than investment, business is now transacted. He goes so far as to say that “if the investment work were all the business of the Stock Exchange, there would be few brokers in the House.”

In *How to Invest and How to Speculate* there are many useful and thoroughly good hints as to the best time for buying stocks and shares. When the author is discussing particular classes of shares in

relation to the conditions of trade and the money market, he is at his best. Few investors take the trouble to study the state of home and foreign trade and of the labour market before making their purchases ; but it is nevertheless an undoubted fact that, although certain shares may, to a very great extent, be affected by local conditions, the prices quoted for the great mass of securities are largely dependent upon the economic state of the country.

The chapter on "How to read a Prospectus" is particularly good ; and, if every investor would subject new undertakings to the few simple tests which Mr. Thorpe recommends, the vocation of promoters of worthless companies would be gone. "Hints to the Small Investors" is another chapter of great value. It contains a collection of maxims, which are admitted by all who know them to be true ; but unfortunately a very large proportion of small investors are still unacquainted with them. If the book succeeds in disseminating these maxims, it will have served a very useful purpose.

As the book is intended to be for the guidance of small investors, it is naturally elementary. This is certainly a point in its favour ; but surely Mr. Thorpe need hardly have assumed such ignorance on the part of his readers as to find it necessary to write, "When we wish to buy stocks or shares on the London Stock Exchange, we go to a member of the 'House,' as it is called. That individual, however, does not keep stocks and shares in his office. He will step across to the 'House,' and do business there." This is elementary with a vengeance ! On certain technical points Mr. Thorpe is at fault. For instance, he describes the jobber's profit on a transaction as the difference between the two prices quoted for stock bought or sold. This is hardly true, for the jobber makes no profit until he has cancelled his bargain by a fresh sale or purchase. He is seldom in a position to put into his own pocket the whole of the difference between the two prices quoted : indeed, market fluctuations may even result in his making a loss instead of a profit. But Mr. Thorpe is by no means the only writer who has made a similar slip in dealing with this question. In the *Story of the Stock Exchange* a passage is quoted from an eighteenth-century writer, in which the same mistake is made. Such technical points are, however, of very slight interest to small investors, for whom the book is ostensibly written.

One of the worst features of Mr. Thorpe's book is that he has occasionally dropped into a journalistic style, suitable only for literature of an ephemeral character. For instance, he says : "The time to buy Home Railway ordinary securities is probably not at such a period as the present, but after a year or two of slack trade ;" and again :

"Perhaps the most hopeful shares at the present time as speculative purchases are Burbank's Birthday Gift and Bayley's United." Now the "present times" which the author, no doubt, had in mind were the respective dates on which he wrote those sentences. But as the conditions which led him to form these opinions may have materially altered before the book came into the hands of the public, such statements can be of no value. Indeed, it is even conceivable that they may mislead a few wholly unreasoning speculators. By the way, the futility of attempting to give advice as to the purchase of gold-mining shares is illustrated by the suggestion regarding "Bayley's United." This "most hopeful share at the present time" stood at 18s. two years ago. Its carrying over-price has been as low as 1s. this year; and at the time of writing (September 11) it is quoted at 1s. 6d. to 2s. The mine is one of the most honestly managed in Western Australia; but the price of its shares has declined simply because the value of the ore obtained from it has fallen to the extent of unworkable at a profit.

When speaking of mines, it is only fair to notice the chapter on mining operations. If people will persist in risking their money in gold mines of which they know nothing, they should at least read the reports from the managers; and this cannot be done intelligently without a knowledge of the technical terms used. An admirable explanation of these terms will be found in the chapter referred to.

How to Invest and How to Speculate should be read by all who have a desire to embark in Stock Exchange speculation. Its perusal will probably convince them that there is not much hope of success, unless they first take the trouble to acquire an expert knowledge of finance, of the theory of trade, and of current politics. It is all very well to say, "Buy when every one else is selling, and sell when every one else is buying," but few people would have the courage to follow such a rule unless their judgment were sufficiently mature to enable them to form a tolerably clear opinion of the development of the stock markets in the immediate future.

WALTER F. FORD.

SELECTIONS FROM THE WORKS OF FOURIER. With an Introduction by CHARLES GIDE. Translated by JULIA FRANKLIN. [208 pp. Crown 8vo. 2s. 6d. Sonnenschein. London, 1901.]

Professor Gide gives an appreciative account of the doctrines of Fourier, supported by copious quotations from his works. To be fair to Fourier, we must remember that he was a commercial traveller, and a bachelor, and that he died in 1837. He saw the root evil of the

competitive system, that it encouraged people to try and make private profit by overreaching one another, and that it tended to result in irresponsible commercial feudalism. His remedies were mainly on the lines of co-operation and garden-cities, productive associations, retail stores, brains applied to agriculture and gardening, and to the direction of constructive industrial armies, co-operative kitchens, social clubs, and variety of occupation. In his ideal communities, there is to be a minimum standard of comfort for all, but inequality of payment above that standard ; instincts now regarded as vices are to be socialized ; labour is to be interesting and varied ; children are to be grouped into little hordes, little brigades for doing dirty work and caring for animals. There is a good deal of sound sense in these counsels, and many of them have been partly followed in England of to-day.

Of course, there is a reverse side. Fourier is ridiculously optimistic and conceited. He thinks that all labour can be made into a play and a pleasure, that each child has a vocation, that all vices can be turned to good ends, that private homes should be entirely destroyed, and that his one ideal system is the will of God, and the one absolute norm for all humanity. The ideal city is called "harmony" or "passional attraction ;" society of the commercial type is called "civilization." The following quotations will illustrate Fourier's amusing fancies. "In harmony the only paternal function of the father is to yield to his natural impulse, to spoil the child, and humour all his whims." Little children should be allowed "to rummage about and handle things in the factories, and at the end of a fortnight one may discern what are the workshops that attract him, what are his industrial instincts." On beholding the ideal city, and estimating its properties, "it will be seen that God has done well, and that instead of madly losing thirty centuries in insulting attraction, which is the work of God, the world should have devoted, as I have done, thirty years to its study." . . . "Upon beholding this associative fairyland, this sea of delights, created simply by attraction or divine impulse, we shall see aroused a frenzy of enthusiasm for God, Author of so beautiful an order, and civilization will be spat upon." M. Gide has done a good service in making his compilation, for, as he says in his preface, "everybody knows Fourier by name ; nobody has read his books ; and he already belongs to a legendary world."

ARTHUR FALLOWS.

SHORT NOTICES.

LA FRANCE ET LE MARCHÉ DU MONDE. Par **GEORGES BLONDEL.** [164 pp. Crown 8vo. 2 fr. 50 c. Larose. Paris, 1901.]

M. Blondel begins his little work by showing that the present is an age of which the pursuit of profit, by exporting goods into foreign markets, is the most notable phenomenon. He then dilates upon the enterprise with which individuals and companies in the different nations are entering into this rivalry in manufacturing and commercial expansion. Incidentally, he shows that it leads to low wages, over-production, unemployment, and crises. He does not seem to have heard of the socialist remedies, of high wages to provide a permanent home market, and of collective wholesale departments to forecast demand and so elicit rational supply.

Turning from the "yellow peril," from American trusts, and German science, he informs the French that they are rapidly losing ground, and implores them to make canals, to send out clever advertising agents into foreign markets, and to found technical schools, whence chemists and sharp and supple business men may proceed, thus directing their emotional patriotism into practical channels. He laments that there is not much chance of these "liberal imperialist" counsels being followed. For the French people prefer home trade to foreign trade ; the railways throttle the canals, the population is declining, and fewer and fewer emigrants go to the French colonies ; while a narrow education causes trade to be despised, and young men to look for posts under Government or in the overcrowded professions. The French bourgeois prefers a safe bird in the hand to the race after a possible twenty in the bush. That is his temperament ; and is he such a fool as M. Blondel thinks ?

THE CASE FOR THE FACTORY ACTS. Edited by **MRS. SIDNEY WEBB**, with a Preface by **MRS. HUMPHRY WARD.** [233 pp. Crown 8vo. 2s. 6d. Richards. London, 1901.]

This collection of essays should be commended to those who still have any doubts about the soundness, both theoretical and practical, of the principles which underlie the general policy of factory legislation, and even more to the multitude of those who have little or no perception of the active forces which are remoulding our industrial system.

Mrs. Sidney Webb contributes an admirable essay on "The Economics of Factory Legislation," which is by far the chief distinction of the volume. Miss B. L. Hutchins gives an historical sketch

of the Factory Acts, while Miss G. Tuckwell points out prominent defects in the present code. Mrs. W. P. Reeves deals with the progressive factory legislation in Victoria and New Zealand ; and Miss Clementina Black replies to certain objections to State interference with the conditions of women workers. In all, an excellent statement of the case from a definite point of view.

It may be questioned, perhaps, whether Mrs. Webb has thoroughly grasped the significance of attempts to organize and direct the power of ordinary consumers. At any rate, her criticism of "consumers' leagues" has no bearing upon the practice of "preferential dealing" as recommended by the Christian Social Union. The principle of the Fair Wages Resolution passed by the House of Commons in 1891 may be, and in fact has been, applied by private individuals as well as by public bodies. It is possible to believe that the State will ultimately become the arbiter of the conditions of industry, and also that, meanwhile, an educated social conscience may do much to maintain and extend the standard regulations for each trade.

A STUDY OF SOCIAL MORALITY. By W. A. WATT, M.A., LL.B., D. Phil., Glasgow. [293 pp. 8vo. 6s. Clark. Edinburgh, 1901.]

We find it difficult to understand what purpose this work was designed to serve. It is not sufficiently detailed in one way to be of any use to the practical social reformer, nor sufficiently detailed in another to be of any help to the speculative inquirer. In the preface, the writer declares that his object is that of "helping the reader to classify his conceptions of the whole," but a book consisting chiefly of classification—of mapping out a subject which is never really discussed—is apt to be very dull. The author's method is to indicate a problem, to give a quotation or two from some well-known writer, and to leave the matter with some vague and unreasoned conclusion. That "it is impossible to see how, without the greatest loss to civilization, the family can be radically changed ;" or that "the bow must be occasionally unbent, and a sportive surrender to chance, for purposes of recreation, may be regarded as a permissible relaxation," may serve as specimens of our author's gnomic wisdom. We fear the work is one which need not have been written. The quotations are the most interesting thing in it.

CO-OPERATION AS A FACTOR IN THE HOUSING PROBLEM.

WHEN the last Church Congress was discussing the great question of the day—the housing of the working classes—the Archbishop of Canterbury volunteered the following very sensible and decidedly opportune remarks:—

“One general conclusion at which he had arrived was that, if they were to remedy the trouble and distress of certain classes, they must carry those classes with them or they could do nothing. It was quite impossible, by any expenditure of money, to raise the condition of those classes if they themselves did not choose to be raised. . . . All remedies for their needs must have their own co-operation, or in the long run they were sure to fail. In such matters, for instance, as the housing of the poor, it was quite certain that, if they could persuade the poor to co-operate with them, they could do ten times as much as they were able to do without them.”

There never was a truer word spoken. We have seen the housing problem grappled with in most other practicable ways. Business men and philanthropists have set up their “workmen’s towns,” here blocks and there rows of cottages, only to find that the provision thus made was insufficient, and also that the dwellings intended for the working classes were promptly taken possession of by people of superior means and less pronounced need. The London County Council has attempted to tackle the problem as a public body endowed with a long purse, only to discover that it was incurring a truly extravagant expense to little purpose. Its houses did not fill the blank. And, even though it generously threw in the value of the site as a free gift, it was bound, in order to recoup itself at all, to charge rents exceeding by about 30 per cent. those asked by the Artisans’ Dwelling Company. After such an experiment it

is easy to imagine what the waste would be, if Parliament were to act upon Lady Jeune's appeal, and constitute the State a wholesale housebuilder for the nation. And there is no certainty whatever that the disappointment already experienced will end at this point. For while the supply of modernized houses continues small and the demand great, whatever is provided by one class for another is readily snatched up. The only alternative for many people is to do without decent accommodation. If there were any considerable competition for tenants, it might be quite otherwise; what is now accepted might then be rejected, or taken only at a reduced rental.

All these unsatisfactory results are easily accounted for. Architects and builders know how to build; financiers and philanthropists are authorities upon the point—a crucial one in this connexion—of raising the money. But nobody but a working man himself, of the locality and class to be benefited, can tell precisely what kind of article in the shape of a house is likely to be wanted; can ensure a market with a ready demand for the particular goods to be disposed of; and can, by means of his own watchfulness, provide an effective safeguard against the loss which building societies frequently incur through the secret desertion of houses in a depreciated condition by their tenants. There is more. Only a working man, directly interested in the particular building, is likely to prove competent to cope with that standing curse of modern housebuilding—in face of which I have found even co-operative societies almost helpless—namely, the increased cost of building. The men engaged in building operations are naturally anxious to get as good wages as they possibly can for their job; and no one but an artisan tenant or owner can meet them on quite equal terms in bargaining for what is fair, and insist that they should work economically and turn out a sound article. In Germany—where Archbishop Temple's maxim has been acted upon, even before his advice was given, and where the “poor” have been directly interested, along with the capitalists, in the construction of their own dwellings—it has been found that two-thirds of the ascertained value of the

building (*i.e.* the sum which is, as a rule, advanced without difficulty) has sufficed to cover three-fourths of the actual cost incurred. The co-operative method has therefore effected a saving of $8\frac{1}{2}$ per cent., which is by no means an unimportant advantage.

The archbishop's advice, then, may be taken to be very good advice. The difficulty lies in carrying it into practice, and inducing "the poor to co-operate," so as to effect "ten times as much as can be done without them." Our own British experience furnishes some little guidance on this point. For, although other nations have outstripped us to some extent in respect of method, our own co-operators have not been idle. At the Cardiff Congress it was shown that up to the close of 1899, 224 co-operative societies were known to have laid out no less than £5,147,526 in building 24,038 houses. About two-thirds of that number, indeed (*i.e.* 16,082), had been constructed by the occupiers themselves with the help of £3,402,306 simply advanced by their societies, acting, in these instances, merely as money-lenders. But 3,709 houses, representing an outlay of £827,823, had been built by the societies themselves, and sold by instalments or a terminable rent-charge to the occupiers. And 4,247 houses, costing £917,397, represented a permanent investment, being simply let in the ordinary way by the societies, which retained the freehold. This return is probably incomplete. A total of £8,000,000 would presumably have been nearer the mark. What the total would be if a fairly large number of the 1700 registered co-operative societies—and if, above all, the Co-operative Wholesale Society, with its enormous wealth—had taken up this method of employing their funds for the national welfare, one may conjecture, with regret at the lack of public spirit shown. So far as it goes, the experience of our co-operative societies makes clear one very important point—namely, that money may be loaned for the purpose of enabling working men to build their own houses without any serious risk of loss. Though as much as 80 per cent. of the value, and even more, has been advanced in each case, no loss appears to have been sustained. The Royal Arsenal Society of Woolwich has gone a little further, and adopted an extensive

building scheme. On a large freehold area, already acquired, it proposes to set up by degrees 3500 working men's dwellings; but, unfortunately, since the scheme was taken in hand, money has grown rather scarce and dear. And this case, even at the best, still only shows the co-operative society acting as a capitalist. It does not really teach us how to make "the poor co-operate" in the archbishop's sense.

We obtain more guidance on this subject when we look abroad. For foreign co-operation has in this matter been permitted to steal a march upon us. Co-operation abroad has, in fact, for some time been busy setting up houses, by the intending occupiers' own efforts, with the help of money borrowed from the public. And the results have proved eminently satisfactory. The houses put up are found to be suitable for their purpose. They are readily taken. They provide a good foundation for other co-operation. They answer alike in town and country. And the investments made by the lending bodies have been shown to be safe, to the extent of not involving any loss whatever.

The place of honour in this connexion undoubtedly belongs to Belgium, which has thus far accomplished most in proportion to its small population and to the means at its disposal, and has done it of deliberate purpose. When one reflects upon the considerable amount of social good that the Belgian National Savings Bank is doing by the judicious employment of its money, one cannot help regretting that there is not a similarly public-spirited body administering the funds of the poor in our country. The Belgian National Savings Bank was advisedly created for the purpose which it is made to serve. Its founder, Frère Orban, who established it only a few years after Mr. Gladstone had called our Post Office Savings Bank into being, and who exchanged opinions on the subject at the time with our great statesman, did not narrow-mindedly limit his object to the safe custody of the money collected. That was one point, certainly, to be kept in view. However, since the money to be administered belonged to working men, and was withdrawn from productive uses, Frère Orban from the outset

insisted that the unique opportunity created by the collection in one huge fund of so much money should be turned to account for stimulating production, and supplying the needs of the very class which had contributed the funds. Accordingly, the directors-general of the Savings Bank have been persistently on the watch for opportunities of social service, and the late director-general, Mahillon, deliberately fixed upon this particular kind of investment, and studied to develop it as far as possible. The policy initiated by him has been carried further by his successor, M. Omer Lepreux; and now the savings bank—apart from advancing considerable sums to corporations and other rate-levying bodies on their own security, to be, as it happens, likewise laid out in working men's dwellings—employs 7½ per cent. of its large funds (to be shortly increased to 10 per cent.) in providing the means for co-operative house-building by working men themselves, with the help of effective machinery devised for the purpose. Ten per cent. of the savings banks' funds would, in our case, mean more than £20,000,000. The Dutch Chambers have gone further in this direction than the Belgian, and have set no limit whatever to the employment of certain savings banks' funds in this way. Their law to this effect, however, is hardly a full year old, and has consequently not yet borne much fruit. In Belgium it will be odd indeed if the limit is allowed to stand long at 7½, or even 10 per cent. For demand is increasingly active, and the results have been strikingly successful. The limit began in 1889 with only 2,500,000 francs. It stands now at more than 50,000,000 francs. And still appeals come pouring in.

M. Mahillon's and M. Lepreux' problem was to devise means by which working men might be encouraged to take in hand the building of their own dwellings, and at the same time to render the advance of money in very large amounts, measured by the value of the real security to be pledged, sufficiently safe. Of course they had to begin by reserving to themselves the right of a decisive word in the drafting of the Society's rules, as well as a right of searching inspection and control after the formation of the society. They could not, as it happened, limit

the claims for loans to societies which are strictly co-operative in form, because the co-operative law in force in Belgium is still incomplete and defective. As a matter of fact, the majority of the societies existing are registered under the Companies law. But that is a question merely of form. For companies created with a view to profit are *ipso facto* excluded by the provision that dividend on capital must be limited to 3 per cent., while the entire surplus accruing has to be carried to the reserve fund. Safeguards are also maintained to prevent any departure from the avowed object, that of providing suitable dwellings for *bonâ fide* working folk. Credits are limited to houses standing on sites not exceeding 25 ares (*i.e.* about $\frac{5}{8}$ acre). The value of the building and the site between them must not exceed 5500 francs (*i.e.* about £220). Borrowers are required to inhabit the houses built in this way, and are not allowed to own other houses. They must not take more than one lodger per house. And the sale of alcoholic liquor is absolutely forbidden. By these and similar precautions, supplemented by rigid inspection, the society is kept true to its purpose.

The next aim is to make the loan transaction quite safe. To ensure this every application for a loan is made to pass through the ordeal of a careful examination by a body of competent men, independent of the savings bank, the *Commission de Patronage*. Should that body approve, the savings bank becomes at once entitled to lend. But it first proceeds to make inquiries. Having at its disposal for this purpose the services of the National Bank, and also of tax collectors and other trustworthy authorities, it is at no loss for proper channels of inquiry. Once the loan is made, the savings bank keeps "controllers" at work, who inspect alike accounts and buildings, and report upon the proceedings of the societies. There are now two kinds of societies engaged in this enterprise, which, in some cases, very properly supplement one another, operating side by side in the same district. The official favourites, which are both most numerous and most active, are the *Sociétés de Crédit*—*i.e.* societies which content themselves with simply borrowing and

relending money to be used by their members. These are favoured in regard to the rate both of interest and of the sinking fund, in the first place, because the savings bank at the outset held, and probably still holds, the opinion that dwellings destined to belong to occupiers are more deserving of encouragement than houses rented in the ordinary way; and in the second place, because its administrators hoped that these societies would prove useful to the Savings Bank as receiving houses for its deposits. In that hope they have been disappointed. The other class of societies are the *Sociétés Immobilières*, which engage in building operations, and either let the houses or sell them within a given time. In some places, as has been said—for instance, in the populous working-class suburb of the metropolis, Ixelles—societies of both kinds exist side by side, and the constructing society borrows at second hand from the credit society.

Credit societies now receive their loans from the National Savings Bank at the rate of 3 per cent. Constructing societies are made to pay $3\frac{1}{2}$ per cent. In addition there is, in either case, a sinking-fund to be kept up, the annual rate of which varies according to the length of time for which the loan is granted. In such way credit societies are enabled to lend to borrowers at the rate of 4 per cent., plus $2\frac{1}{2}$ per cent. sinking-fund. Constructing societies make their own terms with tenants, but are required to pay into a sinking-fund until the loan is reduced to one-half of the value of the building. Up to that amount the loan is allowed to remain on mortgage as a permanent investment. Strictly businesslike as the Savings Bank is in all these regulations, it shows itself most liberal in the amount of advances made, without suffering thereby. It is quite willing to lend by instalments, beginning as soon as there is any security to pledge. Not only does the subscription of share capital, of which 10 per cent. is paid up, entitle societies to borrow as much as 50 per cent. of the whole (£100 paid up thus warranting a loan of £500), but upon terminable rent-charge purchasers paying down 10 per cent. of the assumed value, which is charged as the purchase price, they can raise the remaining 90 per cent. by loan from the savings bank.

Thus, in two specific instances, payment of 28,750 and 60,000 francs respectively procured loans from the savings banks to the amount of 541,000 and 1,572,000 francs. There is no danger of loss in all this, and no fear of such is entertained. Some societies have had to foreclose in respect of buildings (up to December 31, 1899, only 34), and have found a small number of tenants in arrear. However, the National Savings Bank has lost nothing. As it happens, its own favours are not the only ones shown to building associations. For there is, in addition, a philanthropic fund, which advances the 10 per cent. required to be paid up (or, it may be, less, according to its own judgment) in cases which appear to it to warrant such help; and its committee profess themselves well satisfied with the result. Further, the National Savings Bank has found means of conferring an additional boon upon purchasers of houses, without loss to itself, by combining life insurance with credit. In consideration of a mere trifle paid weekly as premium, the occupier may secure his house for his family in the event of his premature death, while at the same time adding to the security held by the savings bank. In the great majority of cases this benefit is accepted.

There are no statistics available showing the actual number of houses set up by this means. There were 140 societies at work at the close of 1900, having borrowed collectively 37,225,302 francs. But the number of houses is known to be considerable, and everybody seems agreed that the erection of these dwellings has greatly reduced the want of housing accommodation alike in town and country. This is an important fact in view of the difficulty experienced elsewhere in inducing countryfolk to combine in building associations.

Germany has proceeded with the same work on rather different lines, but with no less marked and substantial results. In Germany, as in Belgium, it was certain public offices created for the public good which first suggested the adoption of the co-operative method in offering the use of funds; and it is interesting to observe how, in these instances, one good work appears almost naturally to have called forth another. The

German savings banks are business establishments, looking at the investment of their "capital" from a business point of view, just like our own Treasury; and until urged they did nothing in regard to housebuilding. However, the German old age pension funds, like the Belgian National Savings Bank, were created to benefit the working classes; and as soon as they had funds available, they quite naturally turned their attention to the discovery of some new method of employing such money for the social advantage of their beneficiaries. The same thing had happened in Austria, where the workmen's compensation funds (there being no old age pension funds) have built working men's dwellings by means of their accumulated capital, as a matter of policy as well as of duty. There is, after all, some advantage in having public institutions which are made to understand that they exist, primarily, for the public good, and not merely to fold up their pound in a napkin as we do in the case of our savings banks funds.

In Germany the co-operative method of dealing with the housing question—at present very much in vogue, since the results have proved particularly satisfactory—has been evolved only after various attempts, partly successful and partly unsuccessful, to compass the desired end by other means. At first the savings banks lent no help whatever towards this work. In the future they promise to prove exceedingly useful, more especially as being *local* bodies, free to do with their funds whatever they please, and competent to inquire into the merits of every specific case within their own district. They have long been in the habit of advancing money on house property, but in the main only on substantial freeholds, not on working men's dwellings. An old age pension fund, finding itself embarrassed with excessive cash, and being desirous of employing that money for a useful purpose, led the way by offering to advance money for building purposes to individual working men. But it soon had to discontinue this, for it found itself overwhelmed with applications, while quite unable to inquire adequately into the merits of each case. Accordingly it tried to achieve the same object in a less direct way, by lending money to employers, or

to rate-levying corporations, or to local savings banks, which, being on the spot, were well qualified to act as intermediate organs for the judicious distribution of loans. Next, the local savings banks being under the direction of the local *landrath*—a sort of petty-sessional lord-lieutenant—these officials were naturally soon led, by the offer of funds, to reflect how they might turn the opportunity to account for the public good. They were, of course, in a position to do a great deal simply as administrators; and many houses have been set up by such action, to take the place of insanitary hovels, in Hanover, in Rhineland, in Silesia, and elsewhere. One of these *landräthe*, Herr Berthold, hit upon the happy idea of transferring part of the burden of initiative to co-operative associations formed for this purpose in various localities. He has in course of time perfected his method, which is now generally accepted as a model in the co-operative world. Around his pioneer society a fairly substantial cluster, growing annually, of other co-operative building associations have already gathered, inside the General Co-operative Union of Germany. The work continues to make good progress, and the number of houses built is continually increasing.

The savings banks, urged to do so from various quarters, soon began to follow the example set by the old age pension funds. At the same time, it occurred to certain philanthropists that they might help in promoting a more thorough use of this opportunity for obtaining funds. They formed themselves into societies for the purpose of diffusing information, for carrying on an active propaganda, and assisting the lending bodies by making inquiries into particular cases, and giving practical advice to building associations. Excellent work has been done in this way, more particularly by the two most active societies of the sort, those of Düsseldorf and of Frankfort. They now keep designs, rules, and other materials ready for the use of associations, and act towards them generally as guides, philosophers, and friends.

In this way the field of operations has gradually been fairly well covered, and the requisite apparatus has been put together,

at any rate in its main parts. Public bodies favour co-operative building associations in preference to other agencies, because, by means of their joint liability and their effective control over each member, they afford the greatest security, warranting advances up to 75, 80, 90, in one case even 97 per cent. of the value of the buildings; and also because they do the best work in providing exactly the kind of houses which are wanted, at a comparatively small cost. The high proportions up to which it is found possible to advance money are accounted for in part by the fact that the building materials and site represent in their combination a value, certainly greater, often considerably greater, than their separate cost plus the price of labour; and in part by the fact that the capital amount of the debt is soon reduced by the action of the sinking fund. It is owing to the good work done by these associations that corporations and other public bodies, as well as sympathetic individuals, have come forward to support them, more particularly at starting, when they require help most. Such patrons of the movement in the public interest—or, if employers, frequently in their own interest—help by contributing funds, either taking debentures, or subscribing for shares, whereby they become actual working members, taking part in the management, and so ensuring more effective control. Employers will also advance substantial sums on condition that a small number of the dwellings erected are reserved for their own employees; and this plan has been found quite satisfactory. Corporations, besides taking shares, will sometimes grant special exemptions from certain rates. (Under the law, as it stands in most German states, building associations which limit the dividend payable to capital to 4 per cent., and make it one of their rules that they let or sell only to their own members, are exempt from stamp duty, law costs in courts, and imperial taxes.) Thanks to the favour shown, these societies start, as a rule, fairly strong in capital, with, at any rate, £1000 subscribed in shares, which generally increases as time goes on, and often rises to £4000 or £5000. They are formed as permanent associations, and, generally speaking, with limited liability, having £10 shares which, according to German law, involve

liability for £10 more. Once they have been approved and submit to control, they have things made remarkably easy for them. Old age pension funds advance money freely on the site alone, before it is built upon, as a rule at the rate of 3½ per cent. plus 1½ per cent. towards the sinking-fund. That will pay off the loan in about thirty-eight years. The mortgage entered to the lender has to be redeemed in any case, whether the house be designed for ultimate sale or for letting only. At the outset the lending bodies and advancing societies gave the preference altogether to houses destined to become the occupier's own. They have now discovered that there are drawbacks to this, and they are rather inclined to encourage the building of houses constructed only to be let. In respect of houses sold to occupiers (whether by terminable rent-charge or otherwise), the German law permits the vendor society to stipulate for certain covenants, which are entered in the register—such as that the dwelling should be let only to working men, that no structural alteration should be made without permission from the vendor, or that in case of sale the vendor should have the right of pre-emption. These conditions can be easily enforced.

Co-operative societies, formed under such circumstances, have fully justified their existence by excellent work, on which creditors have made no loss. Considerably more is still done in towns than in country districts, but at any rate some foothold has already been gained in the latter, and the work is going on. There are, unfortunately, no statistics yet available, though such have been promised. This promise is likely to be kept, because the Prussian Government has taken up the matter in earnest, has urged savings banks to make loans where practicable, and has called for returns. Indeed, it has expressed a confident hope that with the help of savings bank money—to be employed partly, at any rate, by co-operative building associations—it may prove practicable finally to solve the housing problem.

It is a great pity that no statistics have been published with regard to the Netherlands. For in that country a very great deal has been done, by the most genuinely co-operative methods, to provide working men with suitable dwellings. And this has

been accomplished of the men's own initiative, without any extraneous stimulus, such as has suggested the enterprise in Belgium and in Germany, and in a thoroughly satisfactory way. The societies formed are for the most part small, but there are a large number of them—as many as thirty-one in Haarlem alone, where most of this building has been done, and some twenty in the Hague. Their membership varies from seven or eight to a hundred and more. The majority put up dwellings for their own members, who enter into full possession at the close of twenty-four, thirty, or thirty-five years, as the case may be. In this way as many houses are built in the course of time as there are members, who simply combine to assist one another in raising the requisite money. There is a small society at Schiedam with only 10,000 florins (about £830) of share capital, and a large one at the Hague with 190,000 (about £16,000). The rents vary from 1.60 florins to 3.50 florins a week, and even 1000 florins a year, the sinking fund being sometimes included in the payment, and sometimes paid separately. As soon as all the members are provided with houses, and the debt has been paid off, such societies come to an end as a matter of course, just like the terminating building societies of the United States. There are other societies which retain the dwellings in their common possession, and which, of course, are permanent. There can be no question that these societies have done much good. They are popular with the working classes. They set up such houses as are wanted. And they promise to prove even more useful in the future, now that the Dutch Parliament has made the funds of the Rijkspaarbank (National Savings Bank) available for their purposes.

There is no need here to dwell upon the work done in France, which is, under this aspect, a country of admirable intentions and most convincing arguments, but with few practical results to show; nor in Italy, where, apart from some genuine working men's building in Genoa and in Florence, comparatively little has thus far been accomplished. The Genoese societies are strong in capital and in numbers. They are very similar to the Dutch terminating societies, inasmuch as they raise the

money required by shares gradually paid up, build houses for their members, and then dissolve. In Milan co-operators have come to the same conclusion as in Germany, namely, that, after all, building in common to *let* only, and to retain the freehold, may be preferable to selling by terminable rent-charge. Where you cannot (as in Germany, under a law which is altogether exceptional) protect the houses after sale, it appears impossible to keep out abuses when once the property has been given up.

The magnificent enterprise of the American Building and Loan Associations, which have provided tens, and hundreds, of thousands of houses—for instance, entire quarters of Philadelphia—for the working classes in the United States, by a method which is truly co-operative, though, perhaps, not altogether congenial to ourselves, is not half sufficiently noticed in this country. There are probably, at the present time, quite 6000 such associations engaged in raising and dealing out for building purposes of this democratic kind something like \$600,000,000, equal to £120,000,000. No doubt there are drawbacks to their system—such as the putting up of loans to auction, in order to obtain a maximum interest from borrowers as a profit to capital. And there have been, and may still be, abuses, more especially in connexion with what are called “national” societies, transacting business all over the Union, and not as easily amenable to control as others. Such abuses, as the Commissioner of Labour reported some years ago, have become considerably less; but, even in the local societies, there appears to be excessive trust in the secretary, which means a want of efficient control. The secretary of two such flourishing societies informed me that, notwithstanding committee and audits, he could, if he chose, bring both societies irretrievably to grief by his own action, at any moment. With all these shortcomings, however, these associations have provided workmen’s dwellings in almost astounding numbers.

In what has been said, I hope that sufficient evidence has been adduced to vindicate the justice of the archbishop’s advice, and to prove the truth of his statement that, by the co-operation of the intended beneficiaries, “ten times more” may be effected

than without it. Perhaps all that is wanted in our case is a little encouragement, for when once the movement has received a fair start, it should go on automatically and uninterrupted. Of the precise sort of building association to which attention has been called in this article—i.e. an association of working men who combine to raise the requisite money by their joint undertaking, in order to deal it out to each particular beneficiary on his own strictly enforced personal liability, and by such means to build just the type of house for which there is a ready demand—we only possess one specimen in the whole kingdom; and that was formed only about a year ago at Ealing. The rules of this society seem to have been judiciously framed. Every member is required to take up at least one share of £10, to which, in course of time, four more shares have to be added, bringing up the member's stake in his society to £50, which may, roughly speaking, be taken to stand for the value of the site at the inception of the work. Of course that value is bound to increase with the house standing on it. All other money required is raised by joint loan, to be paid off in each distinct instance by a terminable rent-charge. With the financial responsibility brought home to every one by the pledge given in the shape of shares taken, and every one being under the general control of his fellow members (all of whom are directly interested), the security provided may be said to be as absolute as rules can make it. And the members of this pioneer society, the "Ealing Tenants Limited," are of such a kind, alike in respect of reputed character and of regular employment, that, humanly speaking, success may be held to be certain. As it happens, these men are for the most part builders by trade, and members of a co-operative builders' society, so that there will probably be every possible economy in the work of construction. One would like to see the country covered with societies of this kind. However, if that is to be done, there must be encouragement of some sort; there must, above all things, be loanable funds at hand. Societies might be formed here similar to the French *Société de Crédit des Habitations à Bon Marché*, to find and deal out funds. Meanwhile, by the side of what has been

accomplished in Belgium and Germany, the enterprise of a single English society seems rather paltry. And even this society, I believe, favourably situated as it is, still feels the want of loanable funds.

The want of funds, therefore, constitutes the great difficulty to be faced. For we have co-operators in plenty. It has been contended more than once already that in the enormous funds accumulated in our savings banks we possess precisely the kind of treasure which might, with advantage to all concerned, be turned to account in the direction indicated. Unfortunately the Treasury still shows itself remarkably slow to yield to such an appeal. The position which it takes up in the matter is not always logically defensible. It would be "banker" and "trustee" of those funds alternately, as may suit its purpose. When depositors get frightened by the Chancellor of the Exchequer's laments over "loss" incurred (which laments they take literally), and by Mr. T. G. Bowles's demonstration of the insufficiency of the consols kept to the saving banks' credit, the Treasury answers, correctly enough, that the stock of consols has nothing to do with the matter. The Treasury has taken the deposits as "banker," and the State with all its assets is answerable for the money. However, when things go badly, and it is difficult to make both ends meet, in the opinion of the Treasury the stock of consols assumes a sudden importance in regard to the solvency of the savings bank, and, becoming for the nonce a "trustee," it maintains that it cannot pay out more than itself nets. That means that when things go well, and money can be invested to advantage, so as to accumulate in the "banker's" pocket £1,600,000 of surplus, deposits are taken at the money rate of the market, and invested at the "banker's" option and risk. But when things go badly, and deposits taken at the current rate cannot be made to earn sufficient interest in that particular form of investment to which the Treasury limits itself—putting the money, so to speak, into its own business—then it is the depositors, who have nothing to do with the choice of that form of investment, who are to suffer. What, it may be asked, would be thought of a bank which insisted upon investing the deposits

which it received in its own shares only, and whenever those shares paid badly made the depositors bear the loss? The depositors might, in such a case, protect themselves by withdrawing their deposits and not coming again. In the case of the savings banks they cannot do this—or think that they cannot—because by law there must not be any “savings banks” except such as hand over their funds to the National Debt Commissioners. It is foolish of them not to form societies of their own under another name to administer their savings; but for a time at least there is sure to be a powerful attraction in the old familiar name of “savings banks.”

However, the question here dealt with is becoming urgent. And not possessing any old age pension funds, like the Germans, we have practically only the savings banks to look to. As for the co-operative methods which have answered so well abroad, they are such as would be easily mastered by our working men; and the proceedings of the International Co-operative Congress which is to meet at Manchester in July, as arranged by the International Co-operative Alliance, ought to do something to make them better known and appreciated. The building of working men’s dwellings by co-operative means is one of the subjects which the Committee of the International Co-operative Alliance has placed foremost upon its programme. Experts on the foreign methods, and practical workers and organizers have been invited to explain what has been accomplished. It is to be hoped that this public discussion will do something to promote the practical solution of the housing problem; that, when once these co-operative methods are shown to be trustworthy and effective, the injudiciously jealous guardians of the working folk’s collective purse may relax their iron grasp, and do as other guardians, no less conscientious but more clear-sighted, have done with admirable effect elsewhere; and that in this way some portion, at any rate, of the housing accommodation so badly needed by the working classes may be provided.

HENRY W. WOLFF.

LUXURY, ANCIENT AND MODERN.

THE late Professor Sidgwick, whose loss will be regretted not least of all by those who are interested in questions on the borderland between ethics and economics, calls attention in the concluding pages of his *Political Economy* to the difficulty of determining the effect exercised by modern economic speculation upon the question to what extent luxurious private expenditure is or is not justifiable. The arguments on both sides are sufficiently numerous and cogent, from the point of view of both branches of study, to make it worth while to attempt in some measure to summarize and set forth their rival claims. But it may perhaps be possible to go a little further afield than is done by Professor Sidgwick, and to begin by asking whether the word "luxury" is not showing signs of coming to be used with a more decidedly neutral meaning than seems to have been attached to it either in classical times (*luxus*, *luxuria*, *τρυφή*) or by past contributors to our own literature. And without undue optimism it may surely be argued that the disappearance of the bad connotation from the word at least suggests a corresponding improvement in the thing, and that the luxury of to-day is, taken all round, of a more satisfactory kind than that of former times. This deduction, in the opinion of the present writer, is borne out by an appeal to history, ancient and modern.

Etymologies are always interesting, even if not absolutely trustworthy guides to the true meaning of a word. The old-fashioned derivation given for the word *luxus* is that it is connected with the Greek *λοξός* = "dislocated," or rather "cross-wise."¹ Richardson's *English Dictionary* (1844) informs

¹ Andrews' *Latin Dictionary*.

us that *luxus* is equivalent to *dissolutus*; and *luxuries* is "the vice of a dissolute mind. Luxury, then, means looseness or freedom, exuberance, looseness of desire . . . voluptuousness," etc. And, on the same lines, Johnson gives as its equivalents: "Voluptuousness, lust, luxuriance (*sic*), delicious fare." This theory would seem, however, to be somewhat upset by Skeat's view (if correct) that "luxury" is "connected with *pollucere* = to offer in sacrifice, serve up a dish, entertain; and from the root of *licere* = to be lawful." The progress of philology seems to be justifying the very change in the meaning of the word which is now under consideration.

Now, whatever view was taken by the Romans with regard to the origin of the word in question, when such matters began to occupy their attention, it would appear in the first place that they generally used it to convey a distinct impression of moral wrong, and secondly that, judging from the way in which the wealthy spent their money, at the time of the later Republic and the Empire at least, it is hardly surprising that such a meaning became attached to it. Cicero,¹ contrasting certain of the virtues with their opposite vices, unhesitatingly places *luxuria* under the latter category (opposing it to *temperantia*). Sallust, in his history of the Catilinarian conspiracy, denounces the citizens of Rome as being a prey to two opposite evils: "Conrupti civitatis mores, quos pessuma ac divorsa inter se mala, luxuria atque avaritia, vexabant."² (The question as to how far our author consciously played the hypocrite in thus posing as a censor of morals hardly bears upon the point, as he is doubtless setting himself to regard the subject from the point of view of an average Roman.) Again, Juvenal³ at least implies that the word is one which no one would wish to have predicated of one's self; and his disgust at the prevalent extravagance carries him so far that, following the footsteps of the Platonic Socrates⁴ and other philosophers, he advises his friend to be content with an income sufficient to ward off the attacks of hunger, thirst, and cold.⁵ And Tacitus,⁶ both in his own

¹ Cat. II. ix. 25.

² Ch. 5.

³ Sat. xi. 21-23.

⁴ Rep. ii. 372.

⁵ Sat. xiv. 316-320.

⁶ Ann. iii. 52-53.

person and in that of Tiberius, speaks with concern of the luxury of the time, which, however, he specially characterizes as boundless and shameful, and for this reason to be condemned. Like sentiments on the part of the early Christian fathers may be found in an interesting passage in Gibbon's *Decline and Fall*, ch. xv.

In more modern times we get various instances of a similar attitude towards luxury *per se*. Shakespeare¹ uses the term simply as an equivalent for impurity. In Clarke's *Sermons*² we read—

“Luxury does not consist in the innocent enjoyment of any of the good things which God has created to be received with thankfulness, but in the wasteful abuse of them to vicious purposes, in ways inconsistent with sobriety, justice, or charity.”

Addison, following Sallust, speaks about the *vices* of luxury and avarice.³ Gibbon mentions “the odious name of luxury.” And Adam Smith uses the word apologetically, as if he feared that its application would necessarily imply the imputation of blame—

“Under necessities, I comprehend . . . those things which decency (as well as nature) have rendered necessary to the lowest rank of people. All other things I call luxuries, without meaning by this appellation to throw the smallest degree of reproach upon the temperate use of them.”⁴

But in our own day, instead of the inherent evil of luxury being taken for granted, the question is asked whether it is, after all, an evil, or not. And although Professor Sidgwick holds that “a really valid defence of luxury must be found, if at all, in some service, which the luxurious consumer as such renders to the non-luxurious,”⁵ still, as will be seen, he practically concludes, as many others will agree to do, that luxury is on the whole a blessing rather than a curse to humanity.

To the present writer it would seem that the explanation of

¹ *Much Ado*, IV. i.; *Hamlet*, I. v., et al.

² Vol. ii. 115.

³ *Spectator*, May 3, 1711, No. 55.

⁴ *Wealth of Nations*, V. ii. 467.

⁵ *Practical Ethics*, vii.

this change, or at least indecision, in the attitude of thinking men and women towards the ethics of luxurious expenditure is to be found in the fact that the ancients in particular, and the inhabitants of Europe in the middle and later ages, possibly to a less extent, did not understand the art of private expenditure, in which great advances have been made in recent times. Perhaps the situation is summed up as tersely as possible in the thirteenth chapter of Sallust's *Catiline*, where the author, speaking probably from personal experience, lays his finger on the radical flaw in the society of his day; men ate before they were hungry, slept before they were weary, "ea omnia luxu antecapere." Now, if luxury means the gratification of artificial desire, or ministering to the senses even before any craving is felt at all, then its cause is hopeless, for our own bitter experience alone will soon incline us to agree with Butler, that to make pleasure our object is, "in the strict sense of the word, *preposterous*."¹ For examples of such a pursuit of pleasure for pleasure's sake we have only to turn to the pages of Juvenal and Tacitus, or of Mommsen and Gibbon, to learn how "all the pleasure of the man of culture in the drama was spoilt by the insane luxury of decoration;"² how £10,000 would be paid for a table of cypress-wood, and, worse still, how "no sort of luxury flourished so much as the coarsest of all, the luxury of the table." This consisted not only in the enormous quantity and variety of the fare provided for the epicure, but also in the mere pleasure of spending, as is evident from the tastes of such men as the emperor Elagabalus, of whom we are told "ad mare piscem namquam comedit: in longissimis a mari locis omnia marina semper exhibuit,"³ and the climax of whose aimless and wretched existence was perhaps reached when he offered a reward to any one who should invent a new pleasure.

But without enlarging further on the vast subject of Roman extravagances, some approach to modern parallels may be found in the court of Louis XIV.; and, if one is to believe Miss

¹ Muirhead's *Ethics*, III. iii. § 61; Butler, *Serm. xi.*

² Mommsen, V. xi. 385.

³ *Hist. Aug.*, and see Gibbon, ch. vi.

Edgeworth's account of the state of society in her own day, in the conduct of the young man of good family, whose system, or want of system, of living is described in such works as *Ennui* and *The Dun*. The question is whether these examples were more exceptional than the very numerous instances given by Juvenal and other satirists and historians. But, however this may be, it will probably be agreed that the luxury of the latter part of the nineteenth century has taken upon itself a more purposeful, *i.e.* a more reasonable and therefore a more refined form—unless indeed we are to regard as typical the description in *No. 5, John Street*, of the young man of wealth and fashion there pourtrayed. Modern education, with all its serious drawbacks, does appear to be concerned to teach the young generation how to look before and after, and to turn to account, in the details as well as in the general plan of life, its powers of large discourse. Elagabalus hardly realized his human capabilities as distinguished from those in which the brutes have a share, and he rapidly found himself at the end of his resources. To-day, partly owing to the spread and development of education, partly to increased facilities for study and travel, the difficulty is generally, except in the case of those for whom luxury in any form is a name only, to find time and energy enough to fulfil one-tenth of one's aspirations, whilst opportunities for expenditure beyond strictly personal wants are amply afforded alike by the countless charitable and educational institutions which so constantly appeal to the rich man's generosity—an outlet, it must be remembered, which did not exist for the Roman (except in the form of doles to clients), and scarcely for the courtier of the time of Charles II. or Louis XIV.—and by the many industrial enterprises in which money can now be invested to the advantage of both parties concerned. And although we do occasionally hear of the sorrows and burdens of the millionaire, still, as might be expected, the two great factors of modern as opposed to ancient civilization, *viz.* the sense of personal responsibility due mainly to the teaching of Stoicism and Christianity, and the immense impetus given in the last century or so to commercial enterprise of all kinds, are making

themselves felt in the expenditure of the modern Lucullus, as well as in that of his less fortunate brother. If the age in which we live is sometimes stigmatized as Utilitarian, still the very fact that utility rather than pleasure is aimed at is an indication of the exercise of the reasoning faculties. And if we agree to define Utility as "a capacity to satisfy a desire or serve a purpose," we can hardly complain that a great deal of money is spent on comfortable or even luxurious travelling,¹ on books, pictures, curios, and plant of various kinds for promoting discoveries both in the region of pure science and also with more utilitarian aims. And if there is still much luxury that might be improved upon, perhaps as much as anywhere in matters of entertainment, dress, and personal adornment generally, still, we cannot but be thankful that it has been our lot to be born in an age of progress, even though at times its "many receding waves" may arrest our attention more than the silent flow of the tide.

Following, then, upon the lines suggested by Professor Sidgwick in the passage referred to above, I shall attempt to enumerate the different arguments that can be urged both by economics and by ethics, in support of luxury on the one hand, and against it on the other.

Economics may be said to take up the latter position, primarily, since it has done much to—

"explode the comfortable belief that the luxurious expenditure of the rich is on the whole the source of wages to the poor,—it has pointed out that though labour is no doubt employed in making the luxuries, still if the money spent on them were given to the poor, they would get, broadly speaking, the same wages and the gifts as well."²

Gibbon seems near falling into a similar error; but the example that he gives, of Roman provincial subjects manufacturing luxuries for Roman consumption, and thus having their tax-money returned to them, would apply much more forcibly to

¹ Compare Cicero's description of a dignitary of Sicily journeying "in a litter with eight bearers, whilst seated on a cushion of Maltese gauze stuffed with rose-leaves." See his speech in *Verrem.*, v.

² Sidgwick, *Pol. Econ. fin.* For a remarkably clear exposition of the fallacy latent in the "comfortable belief," see Mill's *Logic*, V. iv. 4.

that particular state of society than to the conditions of our own day. And secondly, the study of economics would incline us to believe that those forms of luxury are specially to be condemned which are dependent on changes in fashion, not least of all with regard to dress, as the fluctuations thereby occasioned in many industries have an unsettling effect on commerce generally.

On the other hand, there is the important consideration, now beginning to receive some attention amongst economists, that luxury is an incentive to industry, and as such is, proleptically, if we may use the expression, of great economic value. Gibbon¹ recognizes the importance of luxury as "the only means that can correct the unequal distribution of property" partly for the reason alluded to above, which however, as we saw, is of little weight under modern conditions, and partly because the possessors of land are "prompted, by a sense of interest, to improve those estates, with whose produce they may purchase additional pleasures." The same point is brought out more clearly by Professor Sidgwick in a telling passage in his *Practical Ethics*,² where he meets the objection that luxury makes men lazy, by replying that—

"the prospect of luxury makes them work; and if we balance the two effects on motive, I think there can be no doubt that, other things remaining the same, a society from which luxury was effectually excluded would be lazier than a society that admitted it."

On the same side of the account must be placed the consideration that (to imagine an extreme case, which might, however, be partly a real one) if all the money now spent on "velvet" and "champagne" were in some way devoted towards the apparent amelioration of the condition of the poor, one of two serious results might follow: either an increase in their numbers until the benefit thus derived was swallowed up by the new claimants for food and clothing, whose presence would finally bring down the standard of life to what it was originally; or, on the other hand, the wages of the lowest class of workers would sink proportionately to the amount of charitable or other

¹ *Decline and Fall*, ch. ii.

² *Essay* vii. p. 195.

assistance received; the net result in this case being not only that the money would do no good to the class which it was intended should chiefly benefit by it, but that a step would also have been taken in the direction of undermining their sense of responsibility and of personal independence by causing them to receive gratis what they would otherwise have earned by their own exertion.¹ A somewhat similar argument is urged by Mr. Hobson in the *Commonwealth*² against doing away with working men's tastes for the "luxury" of alcoholic drink without giving them some equally expensive and more wholesome tastes in their stead. A sudden Prohibition policy without any such safeguard would probably, in his opinion, be the cause of a fall in wages.

Finally, an economic argument in support of a certain phase of luxury is touched upon by Adam Smith in an interesting passage of the *Wealth of Nations*,³ where he points out how, in the Feudal ages, new possibilities of luxurious expenditure began to have a distinct effect in making for conditions of peace, without which there can be no steady development of commerce and industry—

"In a country where there is no foreign commerce, nor any of the finer manufactures, a man of £10,000 a year cannot well employ his revenue in any other way than in maintaining 1000 families, who are all of them necessarily at his command. In the present state of Europe a man of £10,000 a year can spend his whole revenue, and he generally does so, without directly maintaining twenty people, or being able to command more than ten footmen."

If we have got over the ancient objection to the idea that "money breeds money," we cannot further shut our eyes to the fact that commerce breeds commerce, and luxury luxury, and that it is to this fact that the disappearance from Western Europe of the military basis of society is largely due.

When we come to consider the arguments that may be advanced on both sides of the question from the point of view

¹ See Charity Organization Society, *Occasional Paper* 14, on "The Feeding of School Children."

² July and September, 1896.

³ Chs. iii. and iv.

of Ethics, it will at once become obvious that some at least of these considerations have already been touched upon in their economic bearing upon the subject, whilst in the case of others it is not easy to say whether they belong more decidedly to the one or to the other. Thus, the question whether luxury makes for laziness is certainly one not without interest for the student of ethics, to whom the whole difficulty as to what are the effects of luxury upon character cannot but commend itself. The subject is too wide to discuss fully in this place; but even if we agree with Professor Sidgwick¹ that the amount of effeminacy and indolence produced by luxury, in the modern Englishman at least, is not sufficiently great to cause any alarm, still there seems to remain in the mind of many of us a lurking admiration for the man whose tastes are naturally simple, or who will even practise at times a little gratuitous self-denial. Of this we have an example in the late Dr. Sidgwick himself, who confesses to having lived for six or seven years in his youth without partaking of any beverage except water at all meals. The hero of Tennyson's *Palace of Art*, in spite of all his æsthetic refinements and consequent broadness of character, cannot but strike us as being after all more shallow and unsympathetic than many a man to all appearances more narrow-minded, who, however, will prove in an emergency to have gained by self-denial both in strength and depth of soul. Wisdom comes by suffering, as Æschylus found out long ago, and if our circumstances have not put us through the necessary course of instruction, it may be worth our while to study her book by tasks that are self-imposed, and to which attention can be paid even in the midst of luxurious surroundings, and without in any degree ignoring the many advantages and opportunities for culture (in the widest sense of the term) afforded by what must be luxuries to many, and beyond the reach of still more.

Ethics is again at one with economics in recognizing the danger of such luxurious expenditure as produces fluctuations in any branches of commerce, inasmuch as moral harm must result to those in whom habits of idleness are generated by enforced

¹ *Practical Ethics*, pp. 194, 195.

periods of slackness. And the two sciences seem to unite in asking the pertinent question whether many "inconvenient conveniences" do not fall to the lot of the rich man, who may find that his purchases cause him more trouble than pleasure, and so are open to criticism both as being "uneconomic" and also as failing to support the cause of hedonism.

"It seems clear that luxury adds less to the ordinary enjoyment of life than most men struggling with penury suppose : there are special delights attending the hard-earned meal and the rarely recurring amusement, which must be weighed against the profuser pleasures that the rich can command ; so that we may fairly conclude that increase of happiness is very far from keeping pace with increase of wealth."¹

And the moralist, as distinct from the economist, will often be unable to close his eyes to the fact that the possession of wealth is fraught with many and diverse dangers to the development of character, whilst poverty may give opportunities by no means to be despised.²

With regard to the obligations of "charity," which is bound, if largely practised by the rich, to be some check upon luxurious expenditure, the position taken up by the thoughtful moralist is not easy to define. On the one hand, he agrees with the economist in recognizing the harm resulting from indiscriminate almsgiving, to which reference has already been made, whilst on the other hand he is aware that such an argument may only too readily be made to serve as an excuse for a hard-hearted niggardliness which refuses to admit the existence of any claim that might be advanced by the unfortunate or needy against the prosperity of the rich, and which would thus tend to increase the sufficiently apparent contrast between wealth and poverty. The only conclusion which can rationally be arrived at, and practically applied, seems to necessitate a habit of scrutinizing care when any request for assistance is made ; although in the

¹ See the whole of this very interesting passage in Sidgwick's *Methods of Ethics*, II. iv. pp. 159, 160, with which we may compare the theory of "Marginal Utility," as set forth by Professor Marshall and others. See also Sidgwick's *Practical Ethics*, pp. 188, 189.

² For an amusing statement of both these aspects of the case, see Aristophanes *Plutus*, 567-576.

case of a busy man such a rule of conduct could only be adhered to with considerable difficulty. It is so much easier to give to get rid of importunity, or, on the other hand, to resolve never to give at all.¹

After all, the strongest line of defence that can be urged from the point of view of ethics is that luxury in spite of many drawbacks still serves to a considerable extent as a sort of nursery, by means of which—

“when new sources of high and refined delight have been produced, the best and most essential of their benefits extend by degrees from the few to the many, and become abiding possessions of the race.”

And if the question is asked whether the study of the subject in connexion with either science will enable us to deduce for our guidance any definite principle upon which to base rules of individual conduct, the reply would seem to be that any such principles must be few and comprehensive, and that each man, in this respect as in others, must work out his own salvation. For in a sense it is true that history never repeats itself.

Ought I then, as an “economic” man, to cultivate habits of saving, or of spending? The answer is bound to depend on the special circumstances of the particular case, always bearing in mind that the economic efficiency of the nation, as of the individual, is increased by habits of industry and frugality, but diminished alike by extremes of luxury or of parsimony, inasmuch as either will tend, though in opposite ways, to impair potential or real capacity for work. A taste for good music and good books will probably act in the direction of increasing the nation’s wealth, as the cultivation of the intellect in one department of thought is likely to improve its efficiency in another, both as regards present and future generations. But to encourage a factory girl to spend her pence on “feathers and gin,” or a prosperous tradesman his well-earned competency on fashionable extremes in dress and dinners, is a policy economically unsound, as neither the individual nor the nation is likely ultimately to find itself the wealthier for such an exchange.

¹ See the concluding passage of *Sidgwick’s Political Economy*.

If I ask the same question as a would-be moral man, I shall be met with much the same reply. To put one's self in the way of reading and hearing the best that has been said and sung by the great of all ages will, provided always that there is no still higher claim thereby neglected, "insensibly draw the soul into likeness and sympathy with the beauty of reason," and cause it "to become noble and good, and justly blame and hate the bad." But to partake habitually of ten-course dinners, to deck the house and the person in trappings that are inartistic, but as various as they are costly and fashionable, is not likely to prove of any particular advantage either to my own soul or to any one else's, and involves, moreover, the expenditure of money that might benefit myself and society alike in a much more permanent manner, let alone the question whether I am not doing moral and material injury to the factory and other "hands" who are at least temporarily thrown out of work by the sudden fiat of leaders of fashion, who decree that painted tambourines shall cease to be hung on drawing-room walls, but that Japanese fans shall be henceforth imported by the gross in their stead.

If we can divert our thoughts from the numerous and complex side-issues involved, it may be safe to adopt as broad general maxims of expenditure the two ideas of Progress and Universalization. Money spent without any sort of aim or reference to an ideal is spent irrationally; if laid out in such a way as to debase or even fail to elevate the average standard of taste, it is unsocially expended. The study of neither ethics nor economics is in a sense likely to cause us to feel content with such things as we have; but any new departure in the way of fresh luxuries should be carefully considered before it is entered upon, in its bearing on the question to what extent it will cause the spender in particular and society in general, high and low alike, to covet earnestly the *best* gifts.

E. SIMEY.

THE SMALL HOLDINGS OF FAR FOREST, WORCESTERSHIRE.

FAR Forest, so called because it was once part of the parish of Ribbesford, in which Bewdley was included, and because of its distance from the mother church, is now part of the civil parish of Rock, but with this difference that there are no large farms at all within its area. Except where the Forest still remains in its wooded state, there are none but small holdings in the parish of 3200 acres, the largest being forty acres in extent. But these holdings are also spread over other parts of the district, and there is included a considerable acreage of forest.

Mr. Rider Haggard's letter in the *Daily Express*, describing this neighbourhood, led to the question, How was it done? The answer seems to be that of Topsy, "I 'specs it growed." It seems to be the natural outcome of circumstances. But the fact that there were once smelting works in the Forest may suggest one cause which would conduce to that end. Mounds still remain on the site of these works, which must have been very small, if, as we are told, the iron was carried away in panniers. At any rate we have the bridle-paths that were used for the traffic, and such names as Furnace Mill to prevent our forgetting them. It is vain to speculate on the possibilities of romance in the history of Wyre Forest, for this is the proper name of the great stretch of oak woods; but it was very probably at one time a sanctuary, where the dwellers could be in seclusion from the rest of the world. Outsiders, apparently, had but little desire to encroach upon their privacy. Of the old folklore there is now hardly a trace, though one hears sometimes of curious beliefs, especially in regard to the Witten pear tree. This was thought (for, alas! it is no more) to be the only *Sorbus domestica* known to be wild in the kingdom. The

characteristics of the Forest are truly British : steep slopes, restful views of greenery, trickling rivulets, and headlong brooks are all to be found there. No one, in fact, in search of splendid scenery need go outside his own country. The district is very healthy, and nourishes a race tough and hardy as the oaks of their own forest.

On the outskirts of the forest proper, and even deep in its recesses, lie the holdings. The latest clearings are not yet forgotten, but none are very recent. Of trees we have, of course, mainly oaks, but the yew does well dotted here and there, besides other trees. One or two plantations of larch have been successfully made, while hollies thrive in many a hedge. Under the local system there is very little big timber, but what is felled is chiefly used for props to keep up the roof in the galleries of coal-pits, and in the form of saplings for basket-making. The baskets, again, go chiefly to the pits, for carrying coal. The ancient industry of tanning has, like many another, invoked the aid of modern chemistry, but the bark is still carted to the Bewdley tanyards : and although the price has fallen 50 per cent., yet many men, women, and children earn a welcome wage at bark-peeling. The woodmen, too, find employment of a very convenient nature ; it is usually piecework, so that they can easily take an occasional day off, and in summer they are free to give their time to haymaking, fruit-picking, or harvesting.

Thus it will be evident that our small-holders are not all of them entirely dependent on their land. Their occupations vary from that of platelayer to parson. And this is the first of the circumstances that cause the small holdings. Another, which is perhaps rather an encouragement than a cause, is the divided ownership of the land. Formerly Crown property, much of the land is still copyhold. The value or selling price varies, with the size, situation, or fertility, from about 90s. to £100 per acre ; and the rental also from 30s. to even, in special cases, £4 per acre. This includes house and buildings as a rule. Roughly speaking, the cottages and buildings are not good. In some cases they are abominably bad, or at least seem so to one who has seen what a good landlord does for his people. Nor can one

wonder that the owners do not do much ; for not only are they sure of their rents, but may even be offered higher ones by a would-be tenant. It is to their credit that they do not, as a rule, accept such tempting offers. The result is that tenants often suffer in silence, for while they can hardly find another holding near at hand, some one else will be ready to take the one they leave. Sometimes, it is true, they suffer from their own incapacity, when the land is their own and they cannot afford, or have not the enterprise, to make improvements. Sometimes, too, they are hampered by mortgages, for which they find it hard work to pay. In fact, we have all sorts and conditions of men, and poverty and comfort are near neighbours.

Another encouraging circumstance is that the land is mostly under grass, though it is not as a rule very rich ; and in addition to the orchards, there are fruit trees here, there, and everywhere. It would be difficult to find a house without some kind of fruit tree in its garden, however small the premises. Trees are dotted about in the fields and the hedges, and often overhang the roads so that a driver has to carry his whip low.

Of fruits, the most important is the cherry, of which there are many varieties, ranging from the wildling to standard varieties. There might be a destruction of many old trees with advantage all round ; but there is no inducement to either landlord or tenant to decree their supersession, as the former gets his rent in any case, and the latter would perhaps have to wait too long for any return upon the cost of planting young trees. The cherry season lasts about five or six weeks, and during that time all are busy, including the boys who "keep" the fruit from the birds. The principal market for the cherries is that held nightly at Bewdley, where the wholesale dealers are found ; but large quantities go to the weekly market at Kidderminster, and some growers send to the salesmen in Birmingham and other large towns, and even to Scotland. I have myself been fortunate in sending consignments to private persons as far away as the very north of Scotland and in Ireland, but that is rather a different method of sale. The Bewdley market, especially in a dear season, seems to be remarkably good ; but, in a cheaper time,

those who send further probably do better. My experience of Birmingham is that prices rule low, while last year Manchester was no better; and the returns from the Scotch markets, in spite of the excessive rates for rail transit, gave a better net return. At the same time, it is only fair to say that Birmingham gave the highest as well as the lowest net returns. But I have heard very various reports as to the prices obtained, which, on the whole, go to prove that the man who deals in small quantities always gets less than the man who can send large supplies.

The hay is made sometimes before, sometimes after, the cherry-picking. For this purpose machines are being used more and more, but much of the grass is still cut by the scythe; for in these parts the orchards are mown—a practice which is perhaps justifiable under the circumstances,—and we do not stint them in manure.

When hay and cherries are disposed of, the farmer has to put forth all his energies, for very likely something has been let go, and labour is scarcer at this time than at any other. Before the harvest is finished, the blackberry-picking and the plum season arrive, and with them hop-picking. The last draws a few away to other districts, for hops are not a small man's crop. The plums, like the cherries, also attract men to other places, but the blackberries come as a boon to women and children. It is a deplorable fact, when one knows what the Scot thinks of "brambles," that these sweet fruits are tubbed, and so spoiled, when they could so easily, but for the expense, reach their proper destination, even in the far north, in fresh and attractive condition. But it is very difficult to manipulate a market. After they have been sold to dealers, I have seen blackberries at the station only fit for dye, and I have wondered how they can pay even the dealer. No attempt, that I know of, has been made to plant or cultivate the blackberry. Damsons, like plums, are sold at Kidderminster and in the wholesale markets, and, when they are gone, the remaining fruit crops are apples and pears. Only here and there does one find the tomato grown.

The apples and pears are generally of inferior and cider varieties, and the trees are seldom pruned or tended in any

other way than by giving them a dressing of manure, most of which goes to feed the grass. This cider, which is very sharp and unpalatable to a stranger, except in its new state, is the staple drink of the locality, and does not seem to have any ill effects on the bodily health. It is matter for debate whether the soil could grow good enough fruit for the production of vintage cider, such as comes from Devon and Hereford. But it seems not unlikely that good market apples and pears would pay for their introduction on a more extensive scale. Some standard varieties have already been adopted, and we are testing others, some of which promise well, though it is too soon yet to speak with certainty. But as the price of cider fruit has been as low as 1s. 6d. per cwt., and the cider sells then at 4d. per gallon, it is certain that the better varieties would always fetch a higher price. Judging by what is now done, with improved cultivation of the better sorts, a considerable measure of success would be assured.

The soil, generally, is considered poor, and it certainly is hungry, but I am convinced that it is very capable of improvement. In view of the common experience of weeds, there can be no doubt that good crops simply depend upon the amount of cultivation which they receive, and that, again, is mainly a matter of expenditure. It is noteworthy that in the next parish better land lets at a very much lower rent per acre, because it is in large farms. The topsoil of my soil is a fair medium loam, but it is sometimes very shallow, and the subsoil is an ugly brashy clay, which soon tells upon any tree whose roots are allowed to get down into it. In dry weather moisture is not well retained, and in wet it is held in stagnation, unless the land is drained, which again means "capital."

But, as already indicated, the small-holder has often other sources of income. There are a few who need all their time, and more, for their farms, but in most cases this is not so. In fact, the holder's wife is often as important as the man himself; for he may follow a trade, perhaps in a neighbouring town, while she looks after the holding, except at busy times. This is sometimes inconvenient for other people, as, for example, when one's

house is upside down with building in progress, and the foreman bricklayer finds that his hay requires his presence for three weeks. On the other hand, it is seldom impossible, as in other places, to get a man for an odd day's work.

I am, of course, not in a position to give any statement of the returns to be got from a small holding. But obviously a large part of the net result will be in kind. There will be the hay for the stock, the manure that goes on the ground, the bacon and cider—both home-made—and potatoes which are consumed at home. Every small-holder has a pig-sty, and sometimes a cow or two; a pony and cart; and, may be, breeds a foal, or keeps a few sheep. The larger holders keep horses, and perhaps own a reaper, or some labour-saving machine, which may be hired out by others in need of such assistance. Considerable employment is also found in hauling jobs, and it is by no means uncommon to meet a string of carts, with horses, ponies, and donkeys, coming from the pits with coal. Milk is, as a rule, made into butter, and the skim given to the pigs; while calves are reared on the cow. Many are in the habit of buying heifers, and selling them later on with their calves.

The advantage to a man of being able to pay his rent by the sale of a sow and pigs, while earning wages by his labour, and making what he can by his land between times, is evident, if the sales of his produce are sufficient to repay the cost of the food used. Whether it does pay him or not can only be judged by external evidence. But I am inclined to think that it does, and that the poverty to be found is due to other causes—such as personal disposition, or want of cheap capital: for even a small farmer needs capital, and his cows may represent to him from £15 to £20 per head, while his pigs may run to £7 or £8 per head when fit to kill. No doubt those who do get on work very hard, and live hard too. But while a man may remain relatively poor, there is also no doubt that he pays his rent, by no means a small amount either. It is possible for a man with a newly wedded wife and £20 to take a place at £10 to £20 per annum, by getting some one to guarantee their rent; and such a couple can meet their liabilities during their lifetime,

and are very unwilling to give up their holding. I know of more than one instance where a widow has kept on the place, and managed fairly well in spite of difficulties that would deter many a man. The facts, too, that on a vacancy the landlord can pick his tenant, that he gets a good and safe rent, that the tenant pays the rates and tithe, and that no habitable house is empty, while new ones are being built, make a strong case in favour of small holdings where, as here, they are suited to the circumstances.

On the other hand, the system does present some difficulties, as, for instance, in the marketing of the produce. I have already said that there is a special cherry market, and most things can be sold (at a price) in Kidderminster market. This town also has an active cattle market, where good prices are obtained, once a fortnight, and there is another at Bewdley. There are some who make a practice of going once or twice a week to other markets, and dealing in poultry, eggs, and so forth; while a considerable trade is done by calling at private houses. But even with these outlets, it is not always easy to secure a fair price for the produce, as the seller is "at the mercy of the market;" and in any case the expenditure of time and energy necessary to effect any sales at all must involve a considerable amount of waste. Unless looked upon in the light of a day out, which I think is generally the case, the net profit accruing to a small farmer from going to market must often be very small. Some few have adopted the method of supplying customers in large towns, and I think that they have found it advantageous; but they are not likely to be able to extend this without some measure of co-operation, unless each man becomes a dealer on his own account, which is hardly desirable. The small-holder is, in fact, in a bad position from the very nature of his farm. He can only buy and sell in small quantities, and thus has to sell at the lowest prices and buy at the highest. For instance, I was offered a prospect of less than one penny a pound for plums last year in a northern market, and at the same time was selling to a friend not fifty miles from that place at fourpence a pound, which was only half the ordinary

retail shop price. I may add that the railway rates came to five-eighths of a penny per pound. Small quantities, then, in a wholesale market, fetch small prices, and when one buys in small quantities one buys dear. If we think what it means from the economic point of view for ten men to go perhaps seven miles to buy each a sack of grain, when the whole lot could have been carried on a two-horse waggon, we get an idea of the disadvantage with which the small-holder has to contend. It is the same, of course, in the selling. One or two men could easily do the work of ten, instead of each man taking his own pig or cow to the auction. But this is not felt by most as a source of weakness, and they do not realize that it costs them anything. In fact, some will even make a risky profit by doing a little buying and selling on their own account. A day's wages is soon made, and soon lost, too, unless the man has a very level head ; for there is always uncertainty about dealings at an auction.

What, then, can be done by the parish clergyman to help the development of small holdings, which do really seem to solve some of the difficulties connected with rural England ? It may be questioned whether the strong affection for the land that still does exist will last ; and, at any rate, I have noticed a new thing lately. We have the Birmingham waterworks in progress close to us, and to this work many of our young men have returned who had left home for the town. But they are not quite the same as those who have remained all the time. For example, they do not care for the drudgery and the long hours. They want to leave off work at a fixed hour, and to have their Sundays free. What influence they will have upon the neighbourhood I am not able to say, and they may all leave when the present work is over ; in fact, I do not think that enough work could be found for them here then. Even if the farmers not far away from us are shorthanded, I do not suppose that these young fellows will resume labour on the land. But we still have some young men and boys at agricultural work, and these should be retained by all means in our power.

Now, I hold that not only can the parson do something, but

that he ought to consider this his second duty. Like Jeremiah, who bought a field when the city of Jerusalem was about to fall, he ought to do something to show his confidence in the land. He should set an example. Of course this demands a certain capacity ; for it would be worse than useless to make a muddle. This may be the slowest way, but it is, I am sure, the best. A man may talk till he is black in the face, but unless he can prove that he knows what he is talking about he will do little or no good. The first thing, then, is to get a field. Here, no doubt, some will object that I want to add another training to that already required. I do think that, for a country parson, some such special training before ordination would be most serviceable ; for the folk will reason from what they see, and judge of a man's teaching about spiritual things by his knowledge of secular affairs, and they will appreciate the fact that he is sharing their common interests. And even apart from such special training, any earnest man of average intelligence can soon acquire a certain amount of scientific and practical information. I am sure that the country parson has a great deal to gain by an active interest in horticulture, and, in a parish like this, by going further and becoming a farmer like his people. The poor, especially, do not want their parson to be anything but a gentleman, but they like him all the more, I believe, if he can show a practical sympathy with them in the affairs of their daily life.

Having obtained a farm, whether glebe or otherwise, the next thing is to get it into the best order possible. For instance, the question at once arises whether any improvements can be made. It may not be advisable to rush into doing all things differently from the local custom, which in many respects may be the best under the circumstances ; but it would be strange if modern science could not tell us how to improve here and there. For example, in poultry-keeping there may be an old tradition that nothing does so well as a cross-bred, which means only too often a mongrel. People are slow to realize that any knowledge is required to make a good cross, and that second crosses are useless. By starting a pen or two of pure-bred fowl, or

first crosses, one can show by practical demonstration that they are better than the mongrel. Similarly, if the parson keeps a record of the various kinds of eggs, in a short time the whole parish will learn what can be done in this respect. He should charge a higher price than usual for select eggs, but less than the fancy one. The first buyers will find that they have done well, and then others will come. The importance of this is that, while one man has set the example, all the credit of self-help belongs to the plucky customers. But, again, it is necessary to have the right sort of birds; utility must not give way to fancy, but "fancy" wonderfully helps to secure a good balance sheet. The same course should be followed in regard to fruit and stock. And, in every department, it should be taught that the keeping of accurate accounts is of primary importance, because it is upon these little details that success really depends. Then, too, there is the finding of new outlets. If one man can get customers who pay better than the market, why cannot others? They only need to be shown the way, and to be taught how to apply their common sense to a practical solution of their difficulties. But the first example must be given by some one who can command a certain amount of capital. The small farmer cannot advertise, nor send away his fruit in small quantities and well packed. All this requires capital, as also the labour-saving devices that are so much used nowadays. Much can be done in these directions by an enterprising individual who can afford the necessary outlay, and is content to advance slowly. And, if wisely managed, there should not, I think, be any serious loss. In all these ways, then, the parson can help—by improved methods and experiments in scientific cultivation; by trials of special foods and systems; by examples of the best ways of breeding or killing fowls, etc. He is often the only man in the parish who can set the example, or at any rate see that it is done—for much depends on the parson's man, who should be one who can bring both practical capacity and an earnest good will to what, under any circumstances, is an exceedingly difficult task. Nor should I forget to mention the help that may be given by the "household."

Now, supposing a few energetic persons may be found to undertake this extra responsibility, what results can they expect to obtain? It must be confessed that, so far as my experience goes, though they may find a few individuals ready and willing to take hints, the process is very slow, and there is no bond of unity to keep it going. This is the case even in regard to the poultry-yard, which is sure to come first, as the readiest to hand and most susceptible of improvement. Not much, I am afraid, can be done by lectures, if there is no very strong motive for carrying out improvements: but if there is a local show, that may be used as a means of keeping a few interested. Still, even this is not enough by itself. Nor do I think that any one man can do all that is needed. His example would be a good start, but it would take too long to operate. But if, on the top of this, he will invoke the aid of co-operation, then there is a very promising prospect. It is too soon to say much of this yet. Far Forest is the first district to engage in the co-operative selling of its own produce—a very different thing, of course, from co-operative buying or organizing for wholesale markets. But I do believe that it will in time answer. It is an encouraging fact that the association to which I refer started with a larger number of members than was expected, and that since then they are more interested in the better management of their gardens and farms than they were before. For now there is a definite object before them, and some grounds for hope that this can be attained. They are learning how futile it is to be content with three or four shillings for what is intrinsically worth five shillings. They have discovered the advantages of co-operative buying, and that they can be sure of getting good value for the price paid. They can buy machinery for agricultural work, to be hired out by each in turn. It is also proposed to form another association at Bewdley, which will make it possible to organize the fruit trade of the whole district, and perhaps to introduce a new industry like fruit-drying.

There is, no doubt, a great deal of hard work before any one who will take up this movement, but this should not deter those who are anxious that the land should have its fair share

of attention as a primary factor in the national welfare. The excellent Agricultural Organization Society, with its energetic vice-president, Mr. W. L. Charlton, and, in our neighbourhood, its equally capable organizer, Mr. E. P. Leacock, will show the way; and the committee of the local association must do the rest. For instance, it becomes possible to obtain that boon for small-holders, cheap credit by means of Co-operative Banking, and in fact there seems to be no limit to the needs that can be met in this way. The chief thing is to make a start, and to get the meaning of the movement thoroughly understood, both by those who join and by those who stop outside, waiting to see that all is safe before they reach out for the advantages which are promised.

To start a local branch of this society, it is necessary to enlist the services of eight people who will give the scheme a trial. One of these must be the secretary, upon whom the brunt of the work will fall. These original members then get the rules, and sign them. They are required to state in the special rules what they are going to do, and may include almost anything that they desire. The signed rules are then sent to the registrar, and in due time the notification will be sent that the new society has been registered. The rules and all information will be sent to any applicant by the Secretary of the Agricultural Organization Society (2, Dacre House, Westminster, S.W.), who will also see to the registration. The society is always ready to supply a lecturer, to explain what co-operation has done elsewhere, and what it might do again. In return, they ask for a subscription from the local society, which is really far too small for the assistance that is given. Then the statutory meeting is held, and the society with its officers and committee is fairly launched. Mr. J. N. Harris, the secretary of the Agricultural Organization Society, is full of zeal to help all inquirers, and would be grateful for any contributions to the society, which is in need of funds to extend its work. For instance, the very important experiments in regard to the evaporation of fruit and vegetables, arranged by Mr. Leacock, seem to herald the birth of a new industry, which may lead to excellent results in the future.

Such, then, are some of the ideas that have come to me during the brief period of my residence in Far Forest, but it will take many years to learn enough to speak with authority. So far as I have been able to judge, these small holdings come very near to providing a check to the rural exodus. They may be made, I think, the means of producing a much larger head of stock than at present,¹ and therefore of employing a larger number of men who, when the occasion arises, may fill the places of those who give their lives for England, either in the factory or on the battlefield. And, as already suggested, the weakness of the system, under which every one has to do as well as he can for and by himself, may be overcome by union in a society on co-operative lines. Whether small holdings can be created anywhere else, I do not profess to know, but I feel sure that such an experiment is quite practicable if attempted in the right way, and that it might be largely extended in this neighbourhood. The ownership of land is a great incentive to be industrious, and ought to be more within a man's reach. Some, no doubt, will lose by becoming their own landlords, but on the whole more are likely to gain, especially if they have the support of a well-organized and vigorous co-operative society. With this prospect in view, we may reasonably cherish the dream of a return of the English yeoman, with his sterling qualities of thrift and independence. I do not say that people receive more money on these small holdings than they may earn as labourers on a good estate; but they do gain a true sense of independence, and have real opportunity of permanently improving their position. No doubt, to succeed as a small-holder does require special ability. A man who earns his livelihood in this way is just as much to be admired as the man who succeeds in trade or at anything else, for he has to exercise all the pluck, perseverance, and thrift at his command. It would be worse than useless, then, for the failures of our towns to be sent back to the land; we want no idlers or wasters to add to our burden.

But while it is necessary to insist upon the need of

¹ See Prince Kropotkin's *Fields, Factories, and Workshops*.

efficiency, we must not forget that the small-holder, like other men, also requires a proper amount of recreation, which he has not always time to get. I trust that I have made it clear that this, too, may be gained for him by the means suggested for increasing his prosperity. When he gets more from his land by joint effort, he will have both more leisure and more means to pay for help, and so will not be so hard pressed as he is now to eke out a bare subsistence. I have not said anything about clubs and such-like efforts: for, first, I take it for granted that nowadays every clergyman recognizes the fact that they are indispensable; and, secondly, because every kind of social enterprise is included in my advocacy of co-operation. A club will surely follow, even if it does not precede a co-operative society. To some, perhaps, these may seem poor objects for Christian enterprise; but, for my part, I am bound to recognize that we should make the best of what we have and are, and that our material welfare is included in the scope of our common Christianity.

G. F. EYRE.

THE ECONOMIC RESOURCES AND PROSPECTS OF THE AUSTRALIAN COMMONWEALTH.

A USTRALIA is, if natural resources are considered in proportion to population, the richest country in the world. Although the united population of the six colonies of the Commonwealth is under four millions, the total production for 1899-1900 (the last year for which figures are available) was no less than £112,000,000 in value, or over £30 for each inhabitant. If the value of manufactures be subtracted, the primary industries alone give a total of £83,600,000, or about £22 per inhabitant. The primary production of the United Kingdom is, according to Mulhall, but £7 18s. 6d. a head, and of France, the most productive European country, but £11 11s. America reaches £14 14s., and Canada £16 5s. 6d.; but Australia stands easily first. Mr. Coghlan, the able statistician for New South Wales, states that "in production per head Australasia¹ exceeds any other country for which records are available."² Not less striking results are obtained if we pass to consider the totals of export and import trade. The Commonwealth's imports in 1899 amounted to £63,000,000; her exports to £77,000,000. Her whole trade for the year was thus £140,000,000, or nearly £38 per head.

The largest item in the wealth of Australia is undoubtedly the value of the products of the sheep. In 1899, after a succession of droughts, the total number of the Australian flocks was still 74,000,000—i.e. about twenty times more than the

¹ The average for Australasia is not greatly in excess of that for Australia, the addition of New Zealand bringing the total production to nearly £31, and the primary production to £23 8s. 4d. per head.

² *The Seven Colonies*, p. 612. "From primary industries," Mr. Coghlan continues, "Australasia produces more per inhabitant than is produced by the combined industries of any other country."

human population. When Captain Phillip first colonized Australia in 1788, bringing with him among his convicts twenty-nine live sheep, he little dreamed that they were destined to be the ancestors of so gigantic a family. Not, of course, that they were the sole ancestry. Still, with accessions from India and elsewhere, they had increased to some six thousand by the year 1800. Three years before that date, an epoch in Australian economic history was caused by Mr. Macarthur's securing from the Cape some valuable rams and ewes that had been presented by the King of Spain to the Dutch colonists. These, bred with the best of the Australian sheep, produced the famous Macarthur flocks, soon to make Australia known as providing some of the finest wool in the world. Further merinos were introduced from Spain in 1823 and 1828, and the quality of the best Spanish wool was found not to deteriorate, but to improve, under Australian skies. As time has gone on, the weight of the fleece has been gradually increased, without deterioration in quality. Enormous as is the number of sheep in Australia, the stock-carrying capacity of the continent has not yet been nearly reached; Mr. Coghlan estimates that in addition to the 74,000,000 sheep already pastured, there is room in Australia, in ordinary seasons, for another 167,000,000 sheep,¹ or an equivalent number of cattle. Australia derives from the sheep an annual income of more than £30,000,000, of which nearly £23,000,000 is for wool exported to England and elsewhere.²

Nearly ten million head of cattle were pastured in the Commonwealth in 1899, Queensland being responsible for half

¹ *The Seven Colonies*, p. 484. In 1891 the numbers had reached 106,000,000; but a severe series of droughts, from which the country is only now recovering, reduced the numbers to their present condition.

² As food the merino sheep is inferior to the cross-bred animal; and Australia, which has few cross-breds, finds some difficulty in disposing of its surplus cast, after the local meat markets have been fully supplied. New Zealand frozen mutton finds a ready sale in England, but Australian merino mutton is less in demand, and "boiling down" has often to be resorted to. New South Wales, however, in 1899, exported £460,000 worth of frozen mutton (this sum includes the value of 32,000 quarters of beef), and Victoria £86,000 worth (this sum includes the value of 1458 cwt. of beef); and there is a prospect, at any rate, if cross-breeding is encouraged, of a large increase in the frozen-meat trade, as the prejudice against Australian mutton dies out in England.

this number. This represents a value of £43,000,000. The bulk of the animals are required for the local food supply; but Queensland annually exports frozen and preserved beef to the value of over £1,000,000. There are at present more than a million and a half of horses (worth about £14,000,000) in Australia; and though but little has hitherto been done in the export trade, this might easily be developed, the Australian horse in India, South Africa, and elsewhere, having acquired a great reputation for strength and endurance. Large areas of land, especially in Victoria, are well adapted for dairy farming; cheese, butter, and eggs being produced to an extent already far in excess of local demands, and capable of indefinite increase. More than £6,000,000 worth of dairy and swine products was produced in Australia in 1899, including more than £1,000,000 worth of butter exported for the English market.¹ The total value of the pastoral and dairy produce of the Commonwealth for 1899 was estimated at £41,000,000, or £11 2s. per inhabitant.

Though much of Australia is never likely to be of any practical use for agricultural purposes, yet we may be sure that many hundreds of square miles at present devoted to grazing will in time be brought under the plough. At present the crops of Australia amount to nearly £18,000,000 in annual value—about three-sevenths of the annual pastoral returns. Seven million more acres are under cultivation now than there were in 1861, an increase showing an average rate of 5 per cent. per annum.² Wheat is the chief crop, comprising 25 per cent. of the whole; next follow hay, roots, fruit, oats, and maize. The wheat yield per acre is very small, averaging only 8½ bushels per acre;³ but the quality is good, and the yield could be largely increased

¹ New Zealand cheese and butter have hitherto been largely imported by the Australian States, especially New South Wales; but the Federal tariff will curtail this trade considerably, and make Australia rely on her own resources.

² The annual agricultural production on a *per caput* computation amounts to £4 8s., as compared with £3 2s. per head in the United Kingdom, £3 5s. in Russia, £4 6s. in Italy, £4 in Holland, and £1 3s. in Cape Colony.

³ The average yield per acre in France is 18½ bushels; in England nearly 31 bushels. The yield in Australia varies from 4·69 bushels in South Australia to 19·05 in Tasmania.

by improved methods of cultivation. Even as it is, although the consumption of wheat per head, 6·3 bushels, is larger (with two exceptions)¹ than that of any country in the world, the Commonwealth has, for the last twenty years, been able to grow sufficient wheat to supply all its necessities, and, in normal years, to leave something over for export. In 1899 the exported bread-stuffs reached the value of £1,500,000. The cultivation of oats is gradually increasing in Australia; it received a stimulus from the South African war, and is likely to obtain more lasting help from the Barton tariff.² Maize is an important crop in New South Wales and Queensland, though it does not, as in America, enter into consumption as an article of human food. The crop of barley amounts in annual value to about £380,000, and is capable of large increase; and the same may be said of potatoes, growers of which, in Victoria, Tasmania, and New South Wales, will profit by the virtual exclusion, under the Federal tariff, of New Zealand roots.

Fruit and other garden produce were worth £1,800,000 in 1899. The sugar-cane produced during the same year the sum of £600,000—five-sixths being due to Queensland.³ It is a question how far this industry can prosper without the aid of the labour of the Kanaka or South Sea Islander, whose importation has been stopped by one of the earliest Acts of the Federal Parliament. Public opinion, however, runs strongly that, if a successful sugar industry is only possible at the expense of the introduction of a “colour question” into Australia, it will be better to lose the industry than that homogeneity of population which is the distinctive privilege of the Australian colonies.⁴

The grape grows well in Australia, and cuttings from the famous French, Spanish, and German vines were planted in

¹ Canada and France.

² At present 370,000 acres are under cultivation, the average yield per acre being 20 bushels, and the total value £728,000. The value of the New Zealand oats crop for 1899 was £1,436,000, a larger area being under oats in that colony than in Australia, and the average yield per acre being twice as great. Under the Federal tariff oats will, in great measure, cease to be imported from New Zealand.

³ Coghlan's *The Seven Colonies*, p. 536.

⁴ Much of Australia is said to be suited to the growth of the beet, from which, by modern processes, good sugar can be obtained.

New South Wales as early as 1828. Since that time the mother colony has been outstripped in the wine industry by Victoria and South Australia, but still produces annually some 800,000 gallons. With care and skill there seems no reason why Australian wines should not be made to rival the rarest European vintages.¹

From the date of its first discovery, Australia has produced gold to the value of £372,000,000, £254,000,000 worth of which was raised in Victoria; and in 1899, out of the world's total production of gold, nearly 25 per cent. came from the Commonwealth.² Silver, raised mainly from New South Wales, was in 1899 valued at £2,475,000; and copper, mainly from South Australia, at £2,074,000.³ Iron exists in proximity to coal at Mittagong and in many other parts of New South Wales, and though no attempt has yet been made to face the competition of the world, we may expect that under the Federal Protective Tariff the vast iron wealth of the continent will no longer be suffered to lie idle. Coal to the value of £39,000,000 in all has been extracted from Australia, more than seven-eighths being from New South Wales.⁴ Grouping all minerals together, we find that the mineral production for the Commonwealth for 1899 was more than £22,000,000, or £6 per head of the population, and that since 1852 a sum approaching £500,000,000 represents the contribution of Australia to the mineral wealth of the world.

Australia may well become a great manufacturing country. Already the total value of the output from the different

¹ The total value of the Australian grape crop for 1899 was £930,000.

² The total production in Australia for 1899 was valued at £14,661,000, of which Western Australia produced £6,246,000, Victoria £3,418,000, and New South Wales £1,751,000. The number of miners employed in the industry is about 80,000.

³ Tin, raised mainly in Tasmania, was in 1899 of the value of £475,000.

⁴ This State employs 10,000 miners; the average value of coal extracted per miner is of the value of £129 7s. 5d.—the highest average in the world (Coghlan, *The Seven Colonies*, p. 581).

Mr. E. F. Pittman, the government geologist for New South Wales, estimates that that State has still 115,000,000,000 tons of coal available. He also estimates that from one mine near Orange 36,000,000 tons of iron ore, fit for steel production, could be obtained (cf. *Mineral Resources of New South Wales*).

factories was worth no less than £28,000,000 in 1899, within five million pounds of the total of the pastoral returns, and six millions in excess of the proceeds of primary mineral industries. In the manufactories of the Commonwealth some 170,000 operatives are employed, and their numbers show a steady increase.¹ Of these some 35,000 are employed in textile industries, and some 30,000 each in metal works and in the preparation of articles of food. The other main headings are building materials, treatment of pastoral products, shipbuilding, furniture, printing, and saddlery. These industries have hitherto flourished in the face of grievous restrictions, which in many instances had the effect of confining commodities to the State in which they were produced. Not the least benefit of Federation is that, on the day of the promulgation of the first Commonwealth tariff, all inter-State duties were at once abolished, so that instead of each State having but one sure market, it now has six. This may at first involve a certain amount of disorganization of the industrial machinery; the principle of local specialization will come into play, and in regard to particular commodities it is likely that the manufacturers of New South Wales, or of Victoria, or of Queensland, will beat their rivals out of the market. But as a result of such transition troubles each State will have discovered, within a few years, the industries to which it is best adapted. Thus while the dangers of excessive free-trade are modified by extra-Australian protection,

¹ Since 1893 the numbers have increased in Victoria from 39,473 to 60,070, and in New South Wales from 38,918 to 56,646; in Queensland from 13,369 to 27,200, each year showing an increase in every colony. It has been noted that of the operatives in Victoria 16,029 are women; of those in New South Wales 8583. These figures were ridiculously emphasized at the first Federal election, the number of women hands in Victoria being attributed to the malign influence of protection. The difference is fully accounted for by the fact that the textile and clothing manufactures of Victoria (in which it is that women are chiefly employed) are much larger than those in New South Wales, and hence employ more women. On the other hand, in New South Wales, owing to much greater size and (except in gold) greater mineral wealth, metal works and the treatment of pastoral products (essentially men's industries) are, together with shipbuilding trades, much greater. The free-trade enthusiasts omitted, moreover, to point out that while the number of women employees in Victorian factories had not much more than doubled since 1885, those employed in New South Wales have almost quadrupled during the same period (Coghlan, *The Seven Colonies*, pp. 598, 599).

the dangers of excessive protection are modified by inter-State free-trade: on the one hand, the nation's industries will not be ruined by unequal foreign competition; on the other hand, the friendly rivalry between the States will prevent the fostering of unsuitable industries, and the consequent payment of exorbitant prices by the people, both directly as consumers and indirectly as tax-payers. So we may expect in the fulness of time a well-developed nation of many-sided economic activity, as free as England, yet as self-sufficing as America.

Indeed, it would be hard to set a limit to the possibilities of the Commonwealth, were it not for the existence of three "lions"—to use Sir Henry Parkes' picturesque figure—that seem to bar the path of progress. The first is the gaunt and wild-eyed monster whose name is Drought. While the prosperity of Australia depends so largely upon its pastoral and agricultural products, it is clear that any long series of rainless, or practically rainless years must give her a ruinous set-back. In the eight years of drought subsequent to 1891, the one State of New South Wales lost more than 25,000,000 sheep; and the longer continuance of the drought must have meant financial disaster. Unfortunately, continued droughts are among the normal conditions of a large portion of Australia, 1,219,600 square miles having an annual rainfall of under ten inches. It might well have seemed that this vast territory was fated to remain for all time practically waste land. In 1879, however, the wonderful discovery was made that beneath the torrid desert comprising so much of central Australia lay "sunken treasures" of a titanic sea, only awaiting the mattock of man to burst from its dark sepulchre and flood the starving earth. It was at the Kallara Run, New South Wales, that artesian water was first found, and since then many experiments have been made both by governments and private individuals to tap the subterranean ocean. Up to 1900 the Government of New South Wales had completed 82 wells, of which 56 were successful, and are still yielding a daily aggregate of 33 million gallons.¹ In addition

¹ The depth at which water is reached much varies; the Pera bore, near Bourke (300,000 gallons a day), has a depth of 1154 feet; Dolgelly, the deepest (745,200

to the Government bores, there are 128 that have been made by private enterprise, two of which discharge 4 million gallons each a day. From State and private bores together 78 million gallons are daily raised. In Queensland there are 376 bores, yielding 214 million gallons a day. Boring has been less successful in South Australia: out of 87 bores only 33 were successful, the aggregate output being about 4½ million gallons. In West Australia there are 16 artesian wells, yielding together nearly 5 million gallons. Altogether in the Commonwealth no less than 300 million gallons of water are being daily pumped to the surface from these artesian wells, that is, a yearly aggregate of 109,500 million gallons. Great as are the benefits of the artesian system, they are nothing to what they may become; and it is in this direction we must look for the gradual control and ultimate conquest of the first of the "lions in the path" of Australian progress. The irrigation that has converted the district round the Pera bore from a desert to a farmland rich in wheat, maize, tobacco, sugar, pine-apples, and bananas, will one day convert many other Australian deserts into paradieses, and stave off death from many a starving flock. Confident of a steady supply from below, Australian agriculturalists and graziers will, as the artesian system extends, be less and less dependent on uncertain bounties from above.

The second "lion" in the path has in one aspect an alarming visage; his "forward voice" is Cheap English Money, and his "backward voice" is Debt. To drop metaphor and descend to the sober prose of fact, no less than £304,000,000 has been borrowed by the Commonwealth States: three-fifths on public credit, the rest by private individuals. This means that nearly £12,000,000 must be paid each year by Australia to creditors oversea; in other words, that the exports of the Commonwealth must annually exceed her imports at least to that extent, or she becomes insolvent.¹ On a population basis the total debt of Australia to British investors is £82 8s. per inhabitant. a day), is 4086 feet. The average cost of a bore is nearly £3000, or about 28s. a foot.

¹ Already the interest paid to investors exceeds by £40,000,000 the amount originally invested; and £104,000,000 of the principal yet remains due.

The heaviest borrowing was between the years 1886-1890, a period during which £47,000,000 was borrowed by the Australian States, in addition to £53,000,000 received for investment on private account. Half this sum went to Victoria, which, during the years in question, received borrowed money to the extent of £51 per head of population. What wonder, then, at "booming" trade and inflated land-values; but what wonder also at the financial crash of 1893, involving in ruin many a deserving pioneer family, and temporarily shattering public confidence in Australia.

The memory of nations is short, and, according to alarmist politicians on opposition benches, Australia is again, through excessive borrowing, in danger of a financial crisis. The excellent state of Australian credit in England, improved by the Federation of the provinces, enables each State, it is said, to pay off the interest on old loans by raising new ones; while ministries remain in power by bribing the labourers employed in public works with excessive wages derived from the same source. The Bottoms of the Australian press assure their readers that there is not a more fearful danger than this particular "lion;" but though, as has been said, he has a ferocious aspect in the distance, a closer examination shows him old, toothless, and not unmanageable.

In the first place, borrowing has been of recent years very much more moderate, and can now hardly be said to exceed the legitimate necessities of development. During the four years ending 1899 the united borrowings, public and private, of the six States only amounted to £20,000,000; and whatever truth there may be in the charge that a certain proportion of this money has been spent in making good deficiencies of revenue, it is certain that the larger part was expended in direct revenue-producing works. Since the beginning of borrowing down to the end of the financial year 1899-1900, £189,351,459 of public loan money has been expended.

"Of these sums," says Mr. Coghlan, "£150,786,837, or considerably over three-fourths, was spent by the Commonwealth colonies in the construction of railways, water-supply and sewerage work, and electric

telegraphs, and the balance was expended on services which, though unproductive, were claimed by their proposers as being necessary in the interests of national development."¹

In the next place, as to the alleged overpayment of labourers in the Government employ, the objection is partly due to the self-interested fear on the part of employers of a general rise of wages; and partly to the long-dying economic heresy of the "wage-fund theory," and the belief that any "interference" with the semi-divine law of supply and demand is in itself evil, and evil in its results. It is, by the way, notable that none of the merchants and lawyers who are so categorical in their assertions that the community cannot possibly afford to pay labourers the eight shillings a day (or £124 a year²), which Mr. O'Sullivan has granted in New South Wales, appears to entertain the smallest doubt that the community can afford to pay *them* their eight pounds a day (or £2500 a year) for work which, after all, whatever its worth to the community, is more congenial to them than the labourers', and would be more congenial even if it were no more highly remunerated.³ It may, of course, turn out that the country is not capable of paying a fair living wage (and eight shillings a day per family is certainly no more than a fair living wage) to its unskilled labourers. But before it decides that it is not capable, the Commonwealth will be wise

¹ Coghlan's *The Seven Colonies*, p. 822. During the year 1899-1900 the Commonwealth States expended £6,122,227. "Of this amount," says the same high authority, "the sum of £3,970,069 has been spent on services directly revenue-producing, and the remainder was chiefly devoted to works such as the construction of roads and bridges, the improvement of harbours and rivers, and the erection of lighthouses, schools, and public buildings; less obviously a proper charge against loan votes."

² That is if, as is most improbable, employment is continuous throughout the year.

³ This is not intended to imply the desirability of the levelling down of all incomes over £120 a year, though undoubtedly, if present tendencies remain unchecked, wealth in the future will be much more evenly distributed than it is now. So long as secondary and technical education remains costly and in private hands, so long must those callings be the more highly paid the training for which is the more prolonged and expensive. When, however, secondary education in Australia becomes, like primary, public and free, it will no longer be necessary for the community to overpay any class to the extent of endangering the national minimum standard of comfort essential to the welfare of the race.

to consider whether there are no other means of retrenchment which do not involve the abolition of a "national minimum."

The size, then, of the Australian debt—admittedly, in proportion to population, the largest in the world—need not dismay us if we realize (1) the gigantic size and natural wealth of the country which is being developed by this means; and (2) the fact that out of this debt a railway system of 13,000 miles has been constructed at a cost of £122,000,000, with net earnings for 1899 of nearly £4,000,000; railways run in the interests of the public, and of which the profits go, not to company promoters, directors, and shareholders, but to the community at large.

The third "lion in the path" is a many-headed beast, having indeed as many faces as there are progressive peoples in the world. A feigned submissiveness glazes its eyes. It has a fawning, smiling air; but there is death in each paw that it fawns with, and sharp teeth behind every smile. And the name of the "lion" is Cheap Foreign Labour. Now, this monster is at present chained back from the possibility of an attack on the Commonwealth; but the shackles are new and look none too strong, and their removal would make advancing Australia an easy prey. In other words, it is only by some such tariff as that imposed by the first Federal Parliament that the young Commonwealth can hope to maintain a decent standard of national life. It is quite useless paying Australian craftsmen and labourers a reasonable wage, if at the same time we cease to purchase the proceeds of their craft and labour, and prefer the pauper products of the East. The existence of the teeming rice-fed millions of India and China is the gravest danger that threatens progressive nations; and it is senseless for a country to shut out the cheap labourer (as even free-traders in Australia are willing to do) if you admit the commodities produced by his labour. Given a man's measure, Japan can send to Australia a suit equal to the best Sydney tailor's at less than a third of the cost. China can ship to Australia eggs at 3d. a dozen, while Chinese furniture is half the price of Australian. The free-trader who, as a sacrifice to his joss cheapness, would welcome these commodities, must in

so doing ultimately ruin the tailoring and furniture trades, and hamper the national dairy industry. And these are only instances of a wide principle. There are very few Australian commodities that would not be produced more cheaply if the producers were to set up their farms and factories in India or China, or some other region of cheap labour, and thence export the products to Australia. The East, no doubt, is not yet awake to commercial ambition, nor has Eastern labour as yet the requisite skill or understanding of machinery. Yet this is but a matter of time, and a short time; and Chinese factories paying operatives a shilling a day would soon ruin those of any free-trade country paying a fair day's wage.

It is a choice of two things. Either the progressive world must realize that its notion of a national minimum, which will secure a decent standard of life, and a healthy and efficient race, is a chimera, and, therefore, that it must reduce its standard of wages to the Oriental level; or else there must be a protective league against the pauper labour of the East.¹ It was reassuring of our leading economists to tell us that highly priced labour is not, as a rule, dear labour; and the maxim will generally hold good of men of the same race. Thus it will probably be cheaper to get a bookcase made by an Englishman at 10s. a day than by a less efficient one at 8s.; but there would have to be an impossible difference of efficiency to make the labour of an Englishman at 10s. as cheap as that of a Chinese at 1s. or an Indian at 6d.

For the permanent disabling of this monster, at least so far as its danger extends to men of our race, the friends of economic and social progress must look to a Customs union between the countries making up the British Empire—a union as desirable on political and social grounds as it is on economic grounds. Towards such a union the Commonwealth has taken an important step in adopting a protective tariff. Britain has now but to abandon the extreme form of free-trade doctrine which nowadays deceives but few, in order to bring herself into line

¹ A third possibility, that Oriental labour should combine to secure increased remuneration for itself, is too improbable for practical politics.

with her colonies and with the rest of the progressive peoples of the world.

Meanwhile, so far as Australia is concerned, the third "lion in her path" has been seen to be chained by the wisdom of her first Federal legislators : from it the Commonwealth is safe, if only the chain prove sufficiently firm and lasting. That this will be so is the hope and the belief of all who have learned to admire and to rely upon the great good sense of the Australian people.

PERCY F. ROWLAND.

AGRICULTURAL CO-OPERATION IN THE UNITED KINGDOM.

IN August, 1895, the first International Co-operative Congress met in London, and passed the following resolution :—

“ That this Congress recognizes the extreme gravity of the agricultural crisis throughout Europe, and sympathizing with the trials of all classes which depend on the land for their incomes, commends to their attention the adoption of co-operative methods as a practical means for mitigating the evils of the present, and for paving the way to a better and more prosperous future. That it would especially commend the efforts successfully made to establish associations for agricultural supply and the sale of farm produce, co-operative creameries, agricultural banks, profit-sharing farms, labourers' and peasants' stores, and allotments' associations.”

In May, 1900, the thirty-second Annual Co-operative Congress, held at Cardiff, adopted another resolution :—

“ That this Congress desires that co-operators should not lose sight of the importance of co-operative principles and methods being applied to agriculture in such a manner as to improve the conditions under which the agricultural worker has to labour and live ; and that, for this purpose, attention be drawn to the desirability of organizing workers on the land in societies of small holders and cultivators, so as to enable them to obtain the utmost benefits to be derived from co-operation.”

It will be interesting to know what has resulted from the enunciation of these views ; and I therefore propose to sketch briefly the present position of English co-operative efforts in agricultural affairs.

It is well known that the principle of co-operation for the purchase and sale of goods to the common advantage of the consumers has taken a firm hold in this country. The

distributing societies alone number about 1500, with more than 1,600,000 members; and these societies are most of them federated in two groups in connexion with the English and the Scottish Wholesale Co-operative Societies. There are also over 200 co-operative productive societies, which year by year increase in the number of their members and the extent of their business. And yet, either because the difficulties connected with the production and sale of agricultural commodities have been greater, or because the rural population is not actively progressive, and hesitates long before accepting a new idea, it is quite evident that the co-operative movement has made little headway amongst the farming community. In view of the growth of agricultural syndicates (*syndicats agricoles*) in France, of credit societies in Germany, and of societies for sale in Denmark, it is surprising to find that England has no similar results to show, which might be regarded as stages in a definite economic development. Nevertheless, the striking results of the propaganda undertaken in Ireland by Mr. Horace Plunkett show that a large measure of success may be hoped for in this direction. In ten years Mr. Plunkett's association has founded nearly five hundred co-operative societies for the purchase and sale of farm produce, for horse and cattle breeding, or for obtaining credit. This achievement is particularly noteworthy in view of the general economic conditions of life in Ireland; but it represents the actual scope of the movement in the United Kingdom, for in England, Scotland, and Wales nothing much has been done. I propose, therefore, to begin by examining the various forms in which agricultural co-operation has been developed in Ireland.

In Ireland farms are generally small and numerous, and "petite culture" is common. The wealth of the country is mainly agricultural, and is derived from the breeding of horses and cattle, the fattening of pigs, the growing of potatoes and barley, and the sale of milk, butter, and eggs. Irish farmers go but little from home, and are more interested in political discussions than in their own business. They are inclined to gossip and rather quarrelsome, and are not remarkably thoughtful or industrious. In ordinary life they are often led by ridiculous

prejudices and ancient superstitions. Such a character does not offer a favourable soil for the cultivation of the peaceful and progressive principle of co-operation, and Mr. Plunkett quite understood that a strong sense of self-interest would be necessary to induce such small farmers to forego their isolation and to unite for a common object. When, therefore, in 1889, he made his first proposals, no one believed that he would succeed.

The initial experiment was made in the south of Ireland by founding a co-operative dairy on the Danish system. A beginning was made by inducing a few farmers to unite in sending their milk to a common centre. Suitable buildings for butter-making were erected, and a competent manager was appointed, upon whose ability the success of the attempt depended. Very soon neighbouring farmers recognized the advantages of the system, and the number of members rapidly increased. The milk was delivered daily, and payment was made according to the quantity supplied and the richness of the cream it contained. The separated milk was carried back to the farms, where it served, as before, to feed the pigs. In 1891 there were 17 of these co-operative dairies in Ireland. The formation in Dublin, in 1894, of the Irish Agricultural Organization Society,¹ gave a great impetus to the movement; in 1896 there were 70 co-operative dairies in Ireland, and now, five years later, there are 230. As soon as these dairy societies were sufficiently numerous to act together, they united and formed the Irish Co-operative Agency Society, whose object is purely commercial. It receives and classifies the butter produced by the affiliated societies, and then sells it in the best markets. This organization has given to the industry of the Irish peasantry an importance hitherto unknown. The butter they produce is now uniform in quality, regular in supply, and successfully competes in the London market with Danish butter.

In 1897 the Irish Agricultural Organization Society founded

¹ The objects of this society are thus stated: "To improve the condition of the Irish agricultural population by showing them how to apply co-operative methods to farming and its connected industries; to encourage the organization of all productive industries where such organization would be advantageous; and, in general, to give advice and counsel to all who are engaged in the industry of agriculture."

the Irish Co-operative Agricultural Agency, which was intended to run side by side with the Irish Co-operative Agency Society. It was formed by the union of eighteen local societies, for the purpose of providing manures, feeding-stuffs, seed-grains, and agricultural machines. The agricultural societies were stirred up by the success of the co-operative dairies, and soon greatly increased in number. There are now about 12,000 members, and in 1900 they did business to the amount of £74,000. A union of these societies under the title of the Irish Agricultural Wholesale Agency, by enabling them to give large orders and thus to reduce the commercial profit to a minimum, has shown the great advantages of co-operation as applied to the purchase of goods.

Although this method of purchasing agricultural materials and machinery has made continuous progress, only a few efforts have been made to extend the co-operative principle to the sale of produce. An attempt was made to sell barley through the Irish Co-operative Agency Society, but a heavy loss was incurred by the transaction. The report of the Irish Agricultural Organization Society justly remarks that—

“before this kind of business can be undertaken with success, we need a better organization among the societies, and fuller information as to the state of markets, etc. It may also become necessary to provide large depots for storing barley and other grains, until a favourable opportunity for sale occurs.”

However, in 1896, two societies for the sale of cattle were organized, with the best results. They collected the animals from their members, and conveyed them to market; and selling them *en bloc*, secured a great advantage over the usual course of procedure. There is a ready sale for Irish beasts in England; and the amount might be largely increased if the Irish people would organize their supply on a co-operative basis.

The value of agricultural banks is also becoming better known. The problem may be stated thus: How to procure advances of capital to borrowers who have no personal credit, and no real estate which they can mortgage; that is to say, who can offer neither moral guarantee nor material pledge as a

security. The excellent results which Raiffeisen obtained in Germany by his system of rural banks have now been made possible for the poorest peasantry in Ireland by the application of the same principle. Formerly, the peasant-farmers, having no capital, could not cultivate the soil to advantage, and if they attempted to borrow, they were fleeced by the money-lender. But in view of the unmistakable success of the co-operative dairies, they were encouraged in the attempt to organize credit on a co-operative basis. In 1897 there were only three agricultural banks, and forty-eight in 1899; to-day there are seventy-six banks, with more than three thousand shareholders. The general principles of these banks may be briefly stated as follows:—Unlimited liability of the members; economical management by a small committee, which examines a borrower's requirements and keeps the accounts; and the entire elimination of all personal profit. In addition to the interest on the loans, the office charges an extra 1½ or 2 per cent., which is sufficient to cover all expenses and to provide a reserve fund. In Ireland, as in Germany, Italy, and France, there has happily been no check to the growth of these banks; and the latest published accounts show that the Irish credit banks have lent £7270 to their shareholders, while the office expenses were only £24 12s.

In order to complete this description I should refer briefly to certain other promising results of co-operation in Ireland. The supply of chickens and eggs has greatly increased of late years under the encouragement of poultry societies, which organize the business side of this industry; and similar societies have helped to develop the keeping and feeding of pigs. The Downpatrick society has set apart several fields for the purpose of making agricultural experiments, while other societies have organized agricultural shows and competitions. The home industry societies encourage the manufacture in rural districts of articles which can be made by hand, or with the help of very simple machines, so that the winter evenings, and the days when outdoor work is impossible, may be suitably employed. The *Irish Homestead*, a weekly journal published in Dublin, is the official organ of the movement; it publishes

accounts of the work of the various societies, and articles giving practical advice on all agricultural subjects.

It should be evident, then, how powerful and far-reaching has been the influence of that propaganda by which an active co-operative organization was initiated in Ireland. It was the remarkable and growing success of the co-operative dairies which first stimulated the co-operative sentiment, and demonstrated to country people the advantages of co-operation in its many practical forms; and then the organization societies led on to the credit societies. Nor is this the end. There can be no doubt that, as its happy consequences are more fully appreciated, this movement will meet with continuous progress. It may, however, be said with truth that this rapid development was favoured, if not caused, by the precarious situation of the Irish farmer, and the miserable chaos into which agriculture had fallen through the division of farms into small holdings, on which a congested population had a hard struggle to obtain the bare necessities of life. The old *régime* would not have been altered so easily but for its desperate condition, which plainly suggested that any modification whatever would be an improvement.

When we turn our attention to Great Britain, an entirely different spectacle is offered for our consideration. The land is held in large estates owned by wealthy landlords, and is everywhere cultivated under the system of tenant farming. Thus 69 per cent. of the total area consists of properties containing more than ninety acres each, which are divided up as little as possible. Large farmers predominate, and the small farmers, who in Ireland form the majority, are extremely few. The English farmer has all the characteristics of an employer of labour, and the farm may be said to rank with the workshop. He rents his land, and uses it as a machine which he must keep in effective order. All the world is his rival, and the food-stuffs he produces must compete with those of other countries, which enter free of duty. He has an account with a bank, and makes his payments by cheque; he can offer a personal guarantee, or mortgages on real estate, so that he can

easily secure all the credit he needs. Self-interest and competition have always been the springs of his activity, while great confidence in himself, combined with a prudent distrust of others, have often helped him in the past to fortune. But to-day the prices of all agricultural produce have undergone a considerable fall; and although rents have been reduced more than half during the last twenty years, the English farmer, as he sees his profits rapidly diminishing, feels that he has cause for complaint. He complains of the scarcity of labour through the rural depopulation, and the consequent increase of wages; of the high railway charges and other difficulties of transport; and, in particular, of foreign competition, which practically regulates the market price of his commodities.

Now, I venture to submit that, if English farmers could be taught to co-operate, a great deal might be done to lessen or remove the difficulties of agriculture in this country, and to renew its prosperity. A first attempt in this direction was made by the British Agricultural Organization Society, which later on amalgamated with Lord Winchilsea's National Agricultural Union; and finally both these societies were merged in the Agricultural Organization Society, with Mr. R. A. Yerburgh, M.P., as President. At the present moment there is a tendency to split up the work of organization among the various counties, the farmers themselves supplying the sinews of war by means of a levy of a $\frac{1}{4}d.$ an acre. This society has put forth a large and ambitious programme, which, as foreign experience has shown, is by no means impracticable. It urges farmers to co-operate for the purpose of buying manures, seeds, and machines; for the improvement of their live stock; for the production and sale of butter and cheese; for the institution of centres of technical instruction and experiment; for the common use of implements and machines; for the centralization of produce with a view to securing the best market; for the founding of mutual credit banks; for the insurance of cattle and of crops; for the development of minor rural industries; and for the erection of factories in which various agricultural products can be prepared for the market.

It is obvious, of course, that a generous and far-reaching scheme of this kind cannot be realized all at once ; but the good work has already commenced, and the results obtained are not without promise of better things in the future. In what follows I shall state briefly what has been accomplished by co-operative methods as applied to the chief needs of the agricultural community—namely, cheap purchase and credit (by far the simplest and most practicable), advantageous sales, and scientific and efficient production.

There are only some thirty-five co-operative agricultural societies in England, a truly modest figure as compared with the 2500 societies in France. It is impossible to define their business transactions in any precise way, because their commodities, their markets, and their methods are all so various ; yet it is perfectly clear that they pay too much for the services of the army of middlemen whom they employ to purchase what they need and to sell their produce. The Agricultural Organization Society is therefore endeavouring to spread a system of co-operation after the model adopted by the French syndicates. The members of these associations furnish the capital (generally in five shilling shares, which may be paid up in instalments), their liability being limited to the amount of their shares, and a representative committee of management is elected. The business is strictly confined to purely agricultural needs. Members are charged the cost price of the goods, with 5 per cent. added to cover expenses ; and when the accounts are made up any balance of profit is shared amongst the members, who thus reap a double advantage. The English societies have, for the most part, limited their operations to making arrangements with manufacturers to supply their members with goods at contract prices ; and hence, having no need of warehouses, they run no risk, and reduce expenses to a minimum.

Under the title of agricultural credit banks, or of village credit societies, there are only five English societies, with about 130 members. This small number may be explained, partly by the predominance of large estates and farms, and partly by the fact that the English farmer has no difficulty in obtaining loans

from the provincial banks throughout the country at the ordinary rate of interest. Similarly, if a labourer desires a small loan, his master is generally willing to advance the amount required. But the bank charges often deter small borrowers, and an agricultural labourer seldom has sufficient security to warrant frequent or considerable advances from his employer. To meet this difficulty, therefore, the Co-operative Credit Banks' Association, which is connected with the English Land Colonization Society, is endeavouring to found rural banks, based on the Raiffeisen principle of unlimited liability. The members are not required to supply the capital, and are allowed to borrow money, on their joint security, for a fairly long term, at the relatively low rate of 6 per cent. Meanwhile the bank receives deposits at 5 per cent. interest, and the difference between the two rates provides a reserve fund.

With regard to co-operative organization for the purpose of effecting sales, very little has been done as yet in England. There is nothing comparable in extent or commercial success to the co-operative dairies in France and Ireland. Yet England imports butter to the annual value of £17,000,000, which might easily be supplied by the home producers if they would combine together as their foreign competitors have done. It is true that a few landlords, acting in conjunction with their tenant farmers, have successfully established co-operative dairies on their estates. For instance, on Lord Ripon's estate, the Skelldale Co-operative Dairy Society receives annually over 200,000 gallons of milk from its members. The milk is paid for on delivery, according to the Danish plan, and at the end of the year any extra profits are shared among the members.

On the other hand, the system of auction sales, which is very little practised in France, has been largely developed in England. It is still mainly in the hands of public auctioneers, but one co-operative experiment has already been made in this connexion. The Farmers' Auction Mart Company, formed in 1893 by farmers in the neighbourhood of Darlington, has replaced the ordinary auctioneer by its own servant, who is engaged to sell the cattle brought to market by its members. The company

has a capital of £3000 in £1 shares, held by 230 members. The animals are catalogued with a description of their breeding, and through the medium of the company's bank the members receive immediate payment of the amount obtained by the various sales. The business has proved very profitable, and after ten years' working the amount of annual business has risen to £120,000, and a dividend of 10 per cent. has been paid to the shareholders. There are also several other societies, of a quasi-co-operative character, which are engaged in similar work. For example, the South Shropshire Farmers' Trade Association has a double object: first, the purchase and distribution of the raw materials required by its members; and then the collection and classification of their produce for the market. The company has a capital of £500 in £1 shares. It only sells by means of samples, and charges a fixed commission of 2d. in the £ to cover expenses, and avoids the cost of storing produce by requiring it to be delivered to the buyer direct from the farm. Thus the members share in the profits of a prosperous concern, and also command better prices than were possible under the former conditions. Another society, of a more distinctively co-operative type, is the Eastern Counties Dairy Farmers' Co-operative Society. At the end of every half year, after providing for the interest upon capital and loans, for the depreciation of stock, and for a reserve fund, any balance of profit is divided amongst the members according to the amount of their purchases and sales. It only remains to mention the ill-fated British Produce Supply Association, founded by Lord Winchilsea in October, 1896. From this experiment it is quite clear that this kind of organization should always begin with small rural associations, which may gradually develop into larger district associations, and ultimately lead to the establishment of a large central body for the general control of the movement.

Before I proceed to deal with experiments in co-operative farming, it may be well to refer briefly to the agrarian question in general. For a long time now politicians have been greatly concerned for the disappearance of the old and important class of yeomen, and for the continuous influx of the agricultural

labourers into the towns ; but, so far, very little has been accomplished by legislation. For instance, the Allotments Act of 1887, and the Small Holdings Act of 1892, were intended to make it easy for the agricultural labourer to obtain land ; but, in fact, beyond the purchase of a few acres of land for allotment purposes by the county councils, hardly anything has been done to solve the problem. Small holders have only increased to a very limited extent, and still suffer from the chronic difficulty of obtaining sufficient capital to work their farms.

It must be confessed also that, when we look to co-operation for some relief, very little appears to have been done in this way to improve the condition of agriculture. Various enterprises have been taken in hand from time to time, some of which have proved absolute failures, while others can only show partial success. The first experiment in co-operative farming dates from 1829, when Mr. John Gurdon, of Assington Hall, tried to introduce the principle of sharing with his labourers the profits and risks of his farm. In 1830 Mr. Vandeleur, an ardent disciple of Robert Owen, and the owner of a very large estate in Ireland, set apart a farm of over 700 acres, and worked it for five years upon a co-operative system. About fifty years later, in 1884, came the attempt of Mr. Bolton King, in Warwickshire. At first the labourers' wages were increased by nearly 6 per cent. ; but future balance-sheets showed only losses, and after six years of disappointment the experiment came to an end. The more recent attempts of Earl Spencer and Earl Grey, although just as disappointing in their results, have a much greater interest. The former selected eight labourers, to whom he leased the Harleston farm, containing about 300 acres, at a rent of £500 per annum, and also lent £3000 at 4 per cent. interest, so that they might begin their work under the best conditions. After the payment of rent, interest, rates, and taxes, the net proceeds were divided into two parts : 75 per cent. was set aside for a reserve fund and a sinking fund, while 25 per cent. was divided amongst the labourers. A director and a committee chosen by the members managed the farm, and the work was so organized that the interest of each should be seen

to coincide with the interest of all. However, the experiment failed miserably. From the beginning there were very heavy losses,¹ and the disillusioned members soon lost all the enthusiasm with which they had begun.

It is impossible to say whether the success obtained about the same time by Earl Grey on his farm at East Learmouth was owing to the different organization adopted, the larger scale of the experiment, or better business management. The labourers had no share in the management, and the whole responsibility was placed in the hands of a competent director. The farm of East Learmouth was about 820 acres in extent, the annual rent of which was £1431, and a certain amount of working capital was borrowed at 4 per cent. After the payment of rent, interest, rates, and taxes, the net profits were divided thus: 25 per cent. was devoted to the reserve fund, 25 per cent. to the repayment of capital, 25 per cent. to the cost of management,² and 25 per cent. was divided amongst the labourers.³ From the beginning a profit was made and shared. Up to 1891 wages were increased at every stocktaking by a bonus varying from 1 per cent. to 6½ per cent., and during those six years the total amount appropriated was—to labourers' bonuses, £163 5s. 11d.; to repayment of capital, £148 2s. 7d.; to the reserve fund, £182 8s. 4d.

"I have increased my income," said Earl Grey; "I possess undivided sporting rights over the farm; I have a most excellent and comfortable farm-house, which I can occupy or let as I please; and last, but not least, I feel absolutely secure against any possibilities

¹ The accounts of the first year showed a deficit of £210. This was very properly put down to the extremely bad condition of the farm when it was taken over. But in 1888 the loss was still greater, rising to £672. The experiment lasted from 1886 to 1893, and during that time there was only one balance-sheet which showed a profit, and that only of £33. The total loss for the six other years was £1850.

² Of the 25 per cent. for management, two-thirds went to the director, one-sixth to the foreman, and one-sixth to the chief herdsman.

³ The division was made in proportion to their ordinary wages. The labourers had no more control over the accounts than over the general management; but, as the accountant happened to be a relative of most of them, they felt that their interests were well safe-guarded. Earl Grey engaged them by the year at the ordinary rate of wages in the neighbourhood, and reserved the right of keeping back the bonus in case of carelessness or bad conduct.

which future legislation, based on the lines of the Irish Land Acts, may have in store for English landowners. Participation in profits has increased the wage, has lightened the daily task, has brought hope, has stimulated the faculties, and has freed the worker from that paralyzing atrophy which, sooner or later, asserts its sway over men who have no interest in the produce of their industry."

Unfortunately, that success was not permanent. After 1891 the farm of West Learmouth, somewhat larger than East Learmouth, was added. Then prices began to fall, and there were several bad harvests; and finally it was found necessary not only to omit the customary division of profits, but even to use the whole of the reserve fund in order to cover the heavy losses.

The failure of all these attempts at co-operative cultivation and profit-sharing seems to furnish conclusive evidence that the hopes of those who think they can transform the present methods of agriculture by this means are altogether illusory. Yet there is no need to despair even in England. All would go well if it were found possible to combine the economic advantages of large enterprise—such as the division of labour, the use of costly machinery, and abundant capital—with that effective interest of the workman in his own work which, as Arthur Young has said, "has the power of turning sand into gold." The system of *metayage*, for instance, as it is practised in central France, would give equally good results in England.

"I can think of one method, and only one," said Mr. Balfour, "by which all the benefits which we hope would result from a peasant proprietorship, and all the advantages which now actually accrue from farming on a large scale, could be united. That method is the organization of agriculture under some co-operative system. The rural problem would, I think, be solved, if we could only associate the rural workman with the farmer. If we could only induce them all to share together the profits, as they all share in the labour, I believe that we should find ourselves at the end of our difficulties."

There is another type of co-operative enterprise which, though only remotely connected with the agricultural problem, deserves a brief mention. About sixty-five of the ordinary distributive societies have taken up agriculture. Most of these cultivate

only a very small quantity of land; many of them have only a few meadows, and limit their industry to the production of milk and butter. The most important of them never farm more than four or five hundred acres. They enjoy the great advantage of selling their produce direct to their members, and thus have a regular market and assured payments, and save the middleman's profit. But, after all, there is no benefit whatever in this system for the agricultural labourer, except in so far as he deals at the store, and receives a dividend on his purchases like any other customer.

Must we conclude, then, that there is no remedy in co-operation for the decay of agriculture, and that it is impossible to restore in England a class of peasant proprietors? For my part, and in spite of all evidence to the contrary, it is my firm conviction that co-operative societies of small holders have a real and hopeful future before them in this country. There are no doubt, as has been so often found in the past, many serious practical difficulties in the way. But if the great co-operative wholesale societies could be induced to utilize part of the huge capital at their disposal for the purpose of trying some generous experiments in this direction, they might in the end, though perhaps after a certain amount of disappointment and failure, bring to the rural population the full benefit of the co-operative principle, which has proved so advantageous to the artisan in the towns.

ALBERT DULAC.

THE RELATION OF ECONOMICS TO ETHNOLOGY.

WE have become accustomed to those comparisons between the methods of the German and of the English intellect—which, indeed, were more common twenty years ago than they are now—in which the Englishman is represented as approaching the solution of the problems with which he has to deal by the voluminous collection of facts, while the German forthwith retires to his study and proceeds to evolve the whole matter out of his “inner consciousness.” In the sphere of economics the case is conspicuously reversed. In regard to the beginnings of barter, trade, and money, it is the writers of our classical school who have been extemporizing history with remarkable freedom, while it is notoriously the Germans who have been insisting on the rigid application to such questions of Baconian principles.

Professor Bücher of Leipzig, for example, in his suggestive work, *Die Entstehung der Volkswirtschaft*,¹ points out that—“the condition of society on which Adam Smith and Ricardo founded the earlier theory is that of a commercial organization based upon the division of labour. . . . That there may once have existed a condition of society in which exchange was unknown does not occur to them. . . . They deduce the most involved processes of exchange directly from the primitive states. Adam Smith supposes that a man is born with a natural instinct for trade, and considers the division of labour itself as but a result of it. Ricardo in several places treats the hunter and fisher of primitive times as if they were two capitalistic entrepreneurs. He represents them as paying wages and making profits; he discusses the rise and fall of the cost and the price of their products.”²

As opposed to this view, the truth is, as Professor Bücher maintains, that—

¹ Translated into English by S. Morley Wickett, Ph.D., of the University of Toronto, under the title of *Industrial Evolution* (London, 1901).

² Eng. trans., p. 88.

"exchange was originally entirely unknown ; that primitive men, far from possessing a natural instinct for trading, showed, on the contrary, an aversion to it. Exchange (*tauschen*) and deceive (*täuschen*) are in the older tongue one and the same word. . . . Far down into the Middle Ages exchange is protected by publicity, completion before witnesses, and the use of symbolic forms."¹

Turn, however, to any one of the modern treatises on political economy current among us, say Mill or Walker, or the text-book by Professor Gide of Montpellier, which has become deservedly popular in some of our universities, and we find that the conception of the origin of money and trade which is set forth is not essentially different from that of Adam Smith or Ricardo. In an early period of the world's history, we are told, men produced, more or less as they do now, a great variety of commodities, and each man soon came to desire to exchange his ware for that of some one else. However, after direct barter had lasted for many generations, mankind, finding at length the inconvenience of the system, fixed by agreement among themselves on some one substance which every one might receive in exchange for his wares, called it money, and finally impressed it with the stamp of authority, so that it might universally pass current. To the mind of any one who has given even a superficial degree of attention to the problems of ethnology all this must present itself in the light of a mere ætiological myth. These conventions among primitive men, in which such institutions as civil government, language, or money have been supposed by various philosophers to have originated, are things that never existed and never could have existed. If it is said, in reply, that it is not intended to assert the existence of literal conventions in such cases, but only to say that something came about which in its results was tantamount to the result of a convention, then the answer again is, "The setting up of your imaginary explanation of the origin of institutions blocks the way to inquiry with regard to their real origin; the sooner, therefore, in the interests of true science, that it is swept out of the road the better." Nor can it for a moment be urged that

¹ *Loc. cit.*, p. 90.

it is a matter of indifference in regard to present-day theories of money and trade to arrive at a true understanding of their origin. We might as well, it has been truly observed, try to understand the life-conditions of a plant without a study of its roots, as to understand the phenomena of developed economics without the study of its embryonic stage.¹

Owing to the absence of such study, we find that Gide and Walker, no less than Mill, start with the idea that the developed conception of value can exist in the world quite apart from the existence of any standard of value; that therefore the idea of exchange value is something altogether independent of price, and consequently of money; and that it is the reasonable and philosophical method in economics for the writer to devote the earlier chapters of his work to the phenomena of wealth without introducing the conception of money at all, and then to bring in that conception afterwards as a comparatively speaking subsidiary and unimportant adjunct. How wide from the truth this method of dealing with such problems is, I think will appear in a strong light after attention has been drawn to some of the recent results of ethnological investigation in regard to money, which are the work mainly of German inquirers.

Dr. Heinrich Schurtz, the curator of the museum of the city of Bremen, and the author of works on the *Native Industries of Africa*² and on the *Philosophy of Costume*,³ which have established his reputation as an anthropologist of the first rank, devotes a small volume—one of something less than 200 pages—to a presentation of a general survey of all that is known up to the present with regard to the money of primitive peoples. The facts are gathered mainly from the works of travellers, German, English, and French, in Africa, Oceania, Central Asia, and other parts of the world, reference occasionally being made to classical and mediæval conditions. They embody the results of vast research in a compendious form. Extent of reading, however, on such a subject, where the facts are present in such masses, would be of little avail if it were not accompanied by

¹ Cf. H. Schurtz, *Grundriss einer Entstehungsgeschichte des Geldes*, p. 4.

² *Africanische Gewerbe*,

³ *Philosophie der Tracht*.

philosophic insight capable of discerning underlying principles, and of using them as the connecting threads to give every fact its place and its significance. Such insight, however, Dr. Schurtz in a remarkable degree possesses, and it is his possession of it that gives his volume its unique value.

He takes as his starting-point the condition of tribal communism, which, if it was not originally the universal condition of mankind, appears at any rate to have been a condition through which all the historical nations have passed.¹ He has occasion, in the first instance, to deal with the question how, in such circumstances, private property within the tribe came to develop itself. He thinks that investigators into the origin of property have, for the most part, been led astray by the theoretical assumption that it must have been things of practical utility which the individual would naturally attempt at first to withdraw from the *régime* of communism. Directly the reverse is the case. Food, for example, is the very last thing that in a primitive society becomes the unquestioned subject of private ownership. He quotes many facts illustrative of this position. In Tonga, for instance, according to Mariner's testimony,² it was open to any one who pleased to go into any house that he chose at meal times, to sit down and to eat his fill, no questions being asked; and nothing so much aroused the indignant astonishment of a Tongan who found his way to Sydney as the discovery that there no one requested him to share with them their midday meal. Similar conditions ruled among the Mongolians,³ and were very general in South Africa.⁴ We have survivals of them in the custom of inviting, at any rate as a matter of form, the onlookers to partake at meal times, which yet rules in the East, and even in Spain.

If food, however, was the last thing to be withdrawn from the *régime* of communism, what was the first? Dr. Schurtz's reply is—

¹ Cf. Letourneau, *Property, its Origin and Development*, *passim*. Bücher, *Industrial Evolution*, cha. i. ii.

² *Nachrichten über die Tonga-Inseln*, pp. 75, 236, 252.

³ Pallas, *Historische Nachrichten über die mongolische Völkerschaften*, i., p. 105. Lichtenstein, *Reisen in südlichen Africa*, i., p. 450.

"The first thing which man becomes conscious of as his own is his body, and from this it results that that which is destined to alter and to beautify the body is first felt to be private property. . . . Ornament thus becomes the earliest individual possession."¹

It will thus be seen how central a position the phenomena of ornament occupy in Dr. Schurtz's system.² Ornaments too—among which we may include ornamented weapons—as he remarks, readily become amulets with magical protective powers against evil influences; or it may be that they owe their sacredness and their value to their association with the heroic deeds in war or in the chase of the owner himself or of his ancestors, and this, again, contributes to intensify the sentiment of exclusive association with his person.

If, then, at this stage we have arrived at the emergence of the first germs of private property, we are still evidently a long way off from the conception of money. The essential characteristic of money is its exchangeability, while such property as this cannot be the subject of exchange at all. Its exchange would be regarded as impious and unheard of. The weapon, on the manufacture and decoration of which its owner has spent perhaps some years of his life, comes to be thought of as a veritable part of his own being, and Professor Bücher is, no doubt, right in saying that if he parted with it he would often feel that he was subjecting himself to the power of evil spirits.³ It is ordinarily not transferred even at death, but is buried with the owner.

Dr. Schurtz next endeavours to trace the steps by which such property acquires mobility, and his account of them has certainly little in common with the rough and ready theory of the economists, that the early community fixed by agreement on some substance which they should use as their medium of circulation. Though, he remarks, the general sentiment of the community leaves the individual in undisturbed possession of

¹ Schurtz, *Grundriss, etc.*, pp. 10, 11.

² I may ask the reader to compare what follows with the conclusions independently arrived at in the chapters on "Ornament and Money"—chs. ii. and iii. of part ii.—in my book, *The Evolution of Modern Money* (London, 1901).

³ *Entstehung der Volkswirtschaft*, p. 17.

such property as ornaments, it is by no means to be looked upon as something that has no connexion with them. On the contrary, the ornaments acquire their value for the man himself mainly because they arouse the envy of his companions and the admiration of the women. Private property owes its existence thus to the sentiment of the community.¹ Moreover, once any description of ornament has established itself as the subject of universal admiration, it inevitably becomes an object of universal desire, and thus it may be that the first stimulus is given to exchange in some form. We should be greatly mistaken, however, if we were to jump to the conclusion that the first form in which exchange emerges is in that of internal trade. Even in the modern world there are many other uses to which money is put besides its use in the purchase of commodities. Indemnity is, perhaps, secured by a money payment for the man who has inflicted some injury on another, who thus escapes from the vengeance that would otherwise be exacted; or presents are made to the powerful, by which their favour and assistance are obtained; and out of those beginnings there arises at length a system of fines and taxes, which play a part of the first importance even up to the present moment in connexion with the development of monetary systems.²

Such uses are, in Dr. Schurtz's view, the first uses of money,³ and it will be seen how completely it reverses the view of the economists that division of labour first arose, and that money was next invented to facilitate the exchange of products. At the stage of human evolution which we are now considering, there is as yet practically no division of labour, and there are practically no commodities to be bought and sold. All the necessities of life are produced by the joint labour of the family or tribe, and are shared freely among all. The uses of the incipient money are many and various indeed, but they are all of a social character. There is certainly one thing of prime

¹ Schurtz, *Grundriss*, pp. 12, 13, ff.

² Cf. *The Evolution of Modern Money*, pp. 125, ff., and 192, ff.

³ That is, of "Binnengeld." Dr. Schurtz, however, regards "Binnengeld" as the main root of money generally. *Grundriss*, pp. 27, 62, 167.

importance to human happiness which, in many, and probably in most, primitive communities, has to be purchased, namely, a wife; and thus the marriageable daughters, the *παρθένοι ἀλφεσι βοιαι* of Homer, are among the first subjects of exchange, the first bringers-in of wealth.

With the transfer of ornaments as indemnities for injuries, developing later into regulated fines, with gifts to the powerful developing into taxes, and, again, with the purchase of wives, we see already a long vista of uses for the incipient money. Others of a similar character gradually emerge. In some Polynesian islands, for instance, a mother may purchase the lives of some of her too numerous offspring, which otherwise, by the custom of the tribe, would be destroyed.¹

“Under the new influence the relative powers within the tribe begin to alter. Alongside of the chiefs henceforth other orders commence to force themselves into evidence, orders whose services must be purchased by money payments; first and foremost the order of priests and magicians who heal sickness, bring rain, and foretell the future. . . . Money it is, indeed, that more than anything else breaks up the old communism. Every one finds that there are innumerable payments in money that are not to be avoided, and it is quite certain that the individual will, in many cases, be unable to produce the money directly; the instances will thus of necessity be always becoming more and more numerous in which he will be obliged to withdraw his labour and its results, in as far as he can, from the *régime* of communism, and to ask payment for every service which he renders to his fellows.”²

A good many of Dr. Schurtz’s illustrations are taken from the account given by the German traveller, Kubary, of the institutions of the wonderful race who inhabit the Caroline Islands. In their out-of-the-way corner of the world they appear to have been on the fair way to develop a civilization of the highest promise, including a well-regulated popular government, with the self-respect and the respect for one’s neighbour that such a government brings with it. The promise, unhappily, has been blighted by contact with the white man.

¹ Schurtz, *Grundriss*, p. 18.

² *Loc. cit.*, p. 18.

Their monetary system seems to have served social purposes almost exclusively.

“For the main purpose,” says Kubary, “for which money is needed among us, that is to say for the support of life, the islanders need none of it, for all here are themselves the producers of all that they require. Labour is yet but little differentiated, and the expenses of luxury in the higher sense are unknown. Yet, for all that, money plays a part of the first importance in the life of the inhabitants. The human being, regarded as an animal, has here all that he needs for the support of life. Does he desire to marry a wife, however, to establish a family, to live as the citizen of a State, then he must have money. The existence of a commune¹ as a political State is dependent on the existence of the money which the heads of the families possess. The relations of exogenetic marriage which prevail uniformly can only be maintained by the continuous exchange either of goods or money. Thus in truth the child of nature at first sight so free from care has in reality much more care than the industrious working man among ourselves who, once he has fulfilled his duties to the State, is his own master, and has only to concern himself about his own family.”²

Such money as this, Dr. Schurtz thinks, might rightly be called social money,³ as distinguished from commercial money, as the exigencies of trade have little, if, indeed, they have anything whatever, to do with it.

In what I have written thus far I have endeavoured to present the reader with Dr. Schurtz’s conclusions almost in his own words. In what follows, while making use largely of his facts, I have not followed quite so closely the deductions which he draws from them. In a discussion such as the present, it is inevitable that the word “money” should be applied in cases where yet some of the salient characteristics of our modern money are wanting. Indeed, to some of the things mentioned as money the conception of treasure would perhaps be more applicable, as they can hardly be said, properly speaking, either to have circulated or to have measured values. Let us suppose,

¹ “Gemeinde.” To understand what a “gemeinde” is one must read Kubary’s account.

² From Kubary’s *Ethnographische Beiträge Zur Kenntniss des Karolinen-Archipels*. Cf. Schurtz, *Grundriss*, p. 19.

³ *Grundriss*, p. 170.

however, that among the ornaments or treasures that took the fancy of the primitive tribe were some which possessed the quality of being repetitions of themselves—shells, let us say, one of which was very much like another—then the important monetary characteristic of homogeneity can begin to come into play. The shells can be counted, or measured in vessels of a given size, or ranged on strings of a given length; and payments of all sorts, fines, indemnities, and at length purchases, can begin to be duly apportioned by the quantity of the shells delivered. The standard of value and the idea of price can begin to emerge.

We have next to look at the reactive effect of this incipient purchasing power on the subjective appreciation of the ornaments themselves. In such cases, as Professor Marshall well remarks, the sequence is not that of a simple chain of causation. The relation is rather, on the contrary, that between a number of balls lying in a basin.¹ Cause and effect continually act and react on each other. Given the fact, in the first instance, that the colour and form of the shells have conferred on them, for the primitive tribe, some fascination as ornaments,—and given, again, the fact that their homogeneity has made them more suitable than they would be otherwise for use in the making of payments,—then this suitability will be found in its turn again to immensely enhance as well as to render stable their fascination as ornaments. Even with ornaments in the modern world, the more we search into the grounds of the subjective value we attach to them, the more we find it interpenetrated with associations of their pecuniary efficacy.² "Cheap and nasty" has become a proverb with us. No doubt we endeavour to avoid the gross and open proportionment of our admiration of clothes and furniture to the money they have cost, but as an underlying element in what we think of as beauty exchange value is there, always working powerfully in the background.

¹ *Principles of Political Economy*, p. 401.

² For some very suggestive observations on this point, see the chapter headed "Pecuniary Canons of Taste" in *The Theory of the Leisure Class*, by Professor Thorstein Veblen, of Chicago University.

To the most refined connoisseur the glory would soon depart from his curios if he found that no one would give him anything more for them than could be obtained for so many pebbles picked up at random off the beach. When European coins begin to supplant native money as media of exchange, they are also invariably used by the natives as ornaments.¹ With most varieties of ornament among primitive as among modern peoples, fashion continually fluctuates. What to-day is a treasure is, to-morrow, like a child's toy, thrown into the corner. When, however, some description of ornament, owing to its combination of beauty and homogeneity, has begun to serve as a medium of payment, then the tendency is for fashion to remain constant, and for the subjective appreciation continually to gain both in strength and in stability.

So far we have confined our attention to what passes within the tribe with regard to the development of money. Let us now look outside it. While communism and undifferentiated labour continue to prevail within, the first division of employments and the first beginnings of trade appear to be intertribal. A good deal of interesting evidence on this point is given in the second chapter of Professor Bücher's *Entstehung der Volkswirtschaft*, dealing with the "Economic Life of Primitive People."² The division of labour is largely determined by the natural resources of the localities occupied by the various tribes. One tribe live on the sea-coast, and naturally become fishermen; another live inland, in a forest, where the timber from which canoes are made is to be found, and become boat-builders. He quotes from Mr. Im Thurm's work, *Among the Indians of Guiana*,³ an account of the active intertribal trade that had sprung up in the northern part of South America.

"Each tribe," as Mr. Im Thurm says, "has some manufacture that is peculiar to itself; and its members constantly visit the other tribes, often hostile, for the purpose of exchanging the products of their own labour for such as are produced only by the other tribes."⁴

¹ Cf. Schurtz, *Grundriss*, p. 119; Ridgeway, *Origin of Metallic Currency*, p. 15.

² Eng. trans., pp. 41, ff.

³ London, 1883.

⁴ *Loc. cit.*, p. 270.

The first form which this intertribal trade invariably assumes is that of reciprocal present making.¹ Next, perhaps, the usage springs up for the maker of the present to intimate what present he would like to have made to him in return, and to express his satisfaction or otherwise with what he gets. Thus purchase and sale in a fashion establish themselves. This sort of exchange, however, is in its nature something widely different from barter as conceived by such writers as Mill or Jevons. They read into it our modern conceptions of price fluctuations, proportionment of price to cost of production, and so on. In the real primitive barter the relations of commodities to each other are to a surprising degree more simple than those which their theory would involve. What ordinarily seems to spring up in the first instance is a system of fixed exchanges.² Dr. Schurtz furnishes us with a large number of examples of it. It presents many curious and interesting features.

"When one tribe establishes trade relations with another," he says, "and exchanges, say, earthen pots for arrows, the idea soon becomes a fixed one that always and everywhere arrows should buy pots and pots arrows, and that for the purchase of either everything else is quite inappropriate."³

The traveller Nachtigal found that in some parts of Central Africa a sheet of paper would buy a hen, and a hen a sheet of paper, and that only.⁴ Another traveller found that in Bonny a red shirt would buy a grey parrot, but that neither was available for any other sort of exchange.⁵ Elsewhere in Africa, slaves could only be bought with guns, ivory only with guns and powder;⁶ cattle could not be bought for tobacco,⁷ no matter what quantity was offered, though tobacco was in use continually for other purchases. Similarly on the Gold Coast gold-dust could only be bought with clothing stuffs, salt, or amber, and

¹ Schurtz, *Grundriss*, p. 65.

² "Bestimmte überlieferung." Cf. Schurtz, *Grundriss*, p. 79.

³ *Loc. cit.*, p. 82.

⁴ *Mitteilungen der Geographische Gesellschaften in Hamburg*, 1876-1877, p. 325.

⁵ Köler, *Notizen über Bonny*, p. 150.

⁶ Monteiro, *Angola and the River Congo*, i, p. 160.

⁷ Lichtenstein, *Reisen im Südlichen Africa*, ii, p. 503.

not at all with glassware or tobacco.¹ A number of curious tables of exchange equivalents are given by Dr. Schurtz. Here, for instance, is one from Coote's account of the island of Isabel, taken from his book on *The Western Pacific* (p. 146):—

- 10 cocoa-nuts = one string of white shell money, or one piece of tobacco.
- 10 strings of white shell money = one string of red shell money, or one dog's tooth.
- 10 strings of red shell money = one "Isa," or fifty dolphins' teeth.
- 10 "Isas" = one well-grown woman.
- 1 marble ring (bakiha) = one head (among the head-hunters), or one very good pig, or one young man of middle height.

It is, perhaps, a step in advance in the direction of value-measurement when we find the natives in the Lake Regions of Central Africa, as Burton informs us, exchanging one bushel of sea salt for one bushel of grain or one bushel of cowry shells. When the salt production had been unsuccessful, the scarcity certainly took some effect on the exchanges; the grain and the cowries were simply doubled.² What, then, can be more clear than the fact that the conception of value in our sense, for want of a standard, had not yet been born? Nachtigal gives us a glimpse of it just coming into play in the equatorial regions of Africa. In the districts through which he had passed, he had found it necessary to go to market provided with a great variety of wares, and to endeavour to get what he needed by a very complicated series of barter transactions. On reaching the Soudan he says—

"It is no doubt tedious enough to have to change a dollar into somewhere about 5000 cowry shells, and to have to count them out one by one; still you have at any rate the advantage of being able to buy anything you want for the dollar and its fractions, instead of having to bring to market cotton pieces, beads, paper, and sandal wood without

¹ Goldberry, *Reise durch das Westliche Africa*, i., p. 256.

² Burton, *The Lake Regions of Central Africa*, ii., pp. 402, 416.

being certain whether you can buy what you need with any of them, or by what sort of intermediary exchanges you may be able to do it."¹

For a great part of the world, therefore, homogeneous ornament—whether in the shape of cowry shells, or at a later evolutionary epoch in the shape of the precious metals—has brought the conceptions of price and of exchange value to the birth, and has thus first rendered possible the vast array of words, ideas, and ratiocinations which form the material on which the modern theoretical economist has to work.

WILLIAM WARRAND CARLILE.

¹ Cf. Schurtz, *Grundriß*, p. 95.

NOTES AND MEMORANDA.

THE AUSTRALIAN ARBITRATION ACT.—It is a curious fact that legislation in respect to industrial affairs in the colonies has far outstripped the legislation of the mother country. Here is an Act, which received the royal assent on December 10, 1901, and provides for the settlement by a properly constituted court of all disputes as between employers and employees. As a necessary preliminary to the working of such an Act, a proper system of registration and of recognition of employers on the one hand, and of associations of employees on the other, is called for, and such a system is provided by this Act. In the January number of the *Economic Review* I had occasion to pass in swift review the history of trade unions. Now we come to one very important juncture in this history. Not merely does the Act in question recognize industrial unions ; it compels such unions to be recognized, to be registered, to place their lists of members before the registrar, to submit their rules and regulations for official sanction. Similarly the Act provides for the registration of employers and of associations of employers. By this very excellent device the authority has the means of proceeding to settle any trade dispute, and this is the particular feature of the Act in question, and calls for fuller exposition.

The Court of Arbitration is to consist of three high officials, called judges. One of them is a judge of the Supreme Court, to be chosen for the purpose by the Governor, and to be detached from his ordinary duties. Another is to represent the employees, and to be chosen by deputations from the several industrial associations. The third is to represent the employers, and is to be chosen similarly by the associations of registered employers. So far as can be seen from a perusal of the Act, the two latter have equal powers with the high legal functionary with whom they sit as an arbitration court. They are to be appointed for three years at a salary of seven hundred and fifty pounds per annum, and are each and all eligible for reappointment. Every case of dispute as to wages, or hours, or trade customs, or conditions of labour is to be referred to the Court for judgment, not merely for conciliation or arbitration ; and the Court, by the imposition of heavy fines—as much as five hundred pounds in some cases—can enforce its decisions.

This is the central feature of the Act, but some of its less prominent features are almost as vital. For example, should an employer dismiss any employee for no reason other than his presumed membership of a trade union, he is liable to a heavy penalty in the case of each person so dismissed. That is not merely the State recognition of membership of trade unions ; it is State protection of the members. Further than that, the Court has powers to enforce its decision, not merely in respect to the members of affected trade unions, but also in respect to all workers whom it may decide to be affected, whether or not they are *bonâ-fide* members of the particular union. This is very drastic. It simply means that the Court shall regard all workers at a certain trade as potentially members of the appropriate trade union, and its judgments shall apply to them in the same way as to members. This will, of course, prevent any dodging in the direction of resigning membership of the trade unions to escape the decisions of the Court, and its result must necessarily be to compel all workers at a certain trade to be members of the union which represents that trade.

The Act comes before us at a curiously opportune moment. There are many discussions hovering about us in respect to the influence of trade unions. The articles which recently appeared in the *Times* have had a considerable effect upon public opinion, though the replies which they evoked have no doubt done much to counteract that effect. But there are many persons who are not a little uncomfortable in respect, for example, to the alleged "Ca' Canny" cry. There is much to be said on the two sides, no doubt, and it will be said in the immediate future. But whatever influence the trade unions may have had upon the industry or zeal of the individual worker, there can be no doubt that the establishment of an arbitration court, such as the one outlined in this Act, will do more than any other proposal to make trade unions and employers work together for their mutual advantage. The Court will see the questions at issue from a loftier standpoint ; it will hear evidence on all sides—nay, it is bound by its constitution to investigate and to discover every jot and tittle of evidence. So that it is not at all improbable that home legislation will follow colonial in this matter, but from quite opposite standpoints. In New South Wales the success of trade unions has brought about this legislation ; in England it will probably be brought about by the suspicions of the enemies of trade unions. For all that there can be but little doubt that a court of arbitration is urgently required : anything is better than the barbarity of strikes and lock-outs.

JOHN GARRETT LEIGH.

THE RUSSIAN BUDGET.—A perusal of the Russian Budget for 1902 is calculated to leave behind it a strong impression both with regard to the staying powers of Russia and with regard to the genius of M. de Witte. Though the crops during the past five years have been bad, and though the scarcity in 1901 assumed the character of a veritable famine in some provinces, necessitating an expenditure by the Government of more than £2,000,000 in relief of the starving peasantry, the ordinary revenue has continued since 1892 to show a series of surpluses over the ordinary expenditure, and the past year has formed no exception. The surplus for 1901 was over £7,000,000. In the estimates for 1902 there is, indeed, a deficit in the "extraordinary" revenue as compared with the "extraordinary" expenditure, which has to be met out of the free balance of the Treasury, that is to say, out of borrowed money. It amounts to about £14,000,000, and the fact might, at first sight, appear to cast some suspicion on the genuineness of the surplus in the ordinary budget. The suspicion, however, would be unmerited. In the presentation of a double budget, an ordinary and an extraordinary one, M. de Witte follows the precedent set by the kingdom of Prussia, a State whose finances are regarded as furnishing a model of rigorous exactitude ; and since 1894, at any rate, Russian legislation has limited with the greatest care all that can enter into the extraordinary budget. Practically it includes nothing but the purchase and construction of new railway lines, and the expenses due to war and famine. Such expenditure as that on re-armament, on increasing the rolling stock of existing lines, on forests and on harbours, not to mention expenditure on fortresses, buildings, and men-of-war, are all excluded.

The minister, however, is alive to the objection that may be raised to the assertion of annual surpluses, while at the same time the gross amount of the debt is increasing ; and therefore furnishes an interesting statement with regard to the operations of the last decade in order to meet such criticisms. Briefly, the statement amounts to this. The increase in the debt since 1892 was £100,000,000, while the increase in the value of the State assets, mainly railways, together with recoverable debts, including that for land redemption, was about £225,000,000. The State railways are now an asset of the most substantial character. "In 1900," we are told, "the State made a small net profit on its share of all the railways, even taking into account the loss on the Siberian lines." And if the accuracy of this statement is questioned on the ground that it depends on a more or less doubtful valuation of the national property, there is a further statement with regard to the resources available for the service of the debt to which

no such objection can be taken. In 1892 a gross sum of over £24,000,000 had to be assigned for that purpose. This sum was, however, reducible by £6,500,000, the earnings of the State railways and forests. Seventeen and a half millions were thus left, in that year, to be met from taxation. Turning to 1900, we find that a gross sum of £27,500,000 had to be set aside for the service of the debt, but that, at the same time, the earnings of the railways and forests were over £18,000,000, leaving only about £9,000,000 to be met from taxation. Given another decade of European peace and of similarly judicious management of the national estate, and the Russian national debt will practically have ceased to exist as a public burden.

As regards future railway expenditure, the great trans-Siberian scheme is now rapidly approaching completion. The expenditure of another million and a half will definitely finish it, and this is provided for in the budget. The State, at the same time, is not holding its hand in this direction. Three fresh lines have been authorized, the most important being that from Orenburg to Tashkend. Together these lines are estimated to involve an expenditure of some £15,000,000. It is for them, indeed, almost exclusively that the assignment in the extraordinary budget has been made. In undertaking them Russia, whether she will or not, must identify her interests, in the immediate future, at any rate, with the maintenance of European peace.

In regard to the economic condition of the country, the minister can dwell with justifiable satisfaction on the fact that, in spite of the famine in a part of the empire, and in spite of the industrial crisis, the population as a whole have been able to expend considerably more on railway travelling, on the use of the postal and telegraphic services, on tea, sugar, cotton stuffs, petroleum, and hardware than they were able to spend during the preceding year. Of one thing only has the consumption remained stationary, that is, alcohol; and the fact that it has done so in the face of a general rise in other consumption, will be a ground of reasonable satisfaction to those who have introduced the State monopoly. As regards the currency, it is enough to say that the holding of bullion has increased by some £6,000,000 during the year, while the fiduciary issue has remained stationary.

WILLIAM WARRAND CARLILE.

A LODGING-HOUSE EXPERIMENT.—The parish of Christ Church, Spitalfields, is not a large one in area. It is possible to walk from one end to the other in a very few minutes. It must, however, be ranked among the most densely populated districts, for the average

number of inhabitants to the acre is 316; and these live packed together under most deplorable conditions, sometimes eight, sometimes nine, and sometimes even ten, dwelling in a single room. Though now the larger portion of the inhabitants are Jews, the English are still very numerous, and reside in the most wretched and dilapidated parts of the parish, where common lodging-houses and "furnished" rooms supply beds for the night at 4*d.* and 1*s.* respectively.

One of the most painful results of overcrowding is the stunting of moral character in the generation brought up under the conditions which so densely populated a district imposes. Of these conditions the most formidable is clearly the necessity for several young persons of different sexes to spend the night together, with their parents, in a single room, small, dirty, and cheerless. It has occurred to the church workers in Spitalfields that, though they are at present powerless to stem the tidal wave of population sweeping over the neighbourhood, yet something might be attempted in the way of controlling it, or rather, if the expression may be used, of organizing it. The question of especial interest raised was this—"Would it be possible to collect the young working girls of the neighbourhood, who are living at home under unsatisfactory conditions, and who are, perhaps, the main sufferers from those conditions, and group them together by themselves for the night?" During the daytime they would naturally return to their homes for meals and to the factories for work. Another question followed at once: "Could a room be obtained, in an overcrowded neighbourhood, of such a size and at such a rent that it would be possible comfortably to house sufficient girls in it at a very low charge, and to make the establishment pay its way?" The weekly wages of the girls to be catered for were found to vary as a rule from 3*s.* to 6*s.*

Some two years ago an effort was made in the parish to put these questions to a practical test. A respectable man and his wife were found who had a small room which they were willing to sublet at 4*s.* a week. This room was capable of providing satisfactory accommodation for four girls; and candidates for admission soon came forward who were willing to pay 1*s. 3d.* a week each. The rent was thus met, while the woman in the adjoining room offered to do the necessary washing and cleaning for the extra shilling. The expense of furnishing this little establishment, exclusive of pictures and ornaments which were given by kind friends, was about £8. This sum had to be raised by the Rector from other sources than the girls' weekly payments. Before many months were passed, a second room, adjoining the first, and like it capable of holding four girls, was furnished with the

required number of small iron bedsteads and other necessary articles, and occupied.

The Rector's statement of accounts for 1899-1900 gives £20 19s. as the sum paid for rent and cleaning, which included washing, during the year, and £20 18s. 9d. as the amount contributed by the inmates of the rooms. For all practical purposes, therefore, the girls were just able to provide for rent and cleaning. The expense of lighting the rooms, which were both supplied with gas, had, like the cost of furniture, to be met from other sources, such as subscriptions from friends. It was not found very difficult to make up the deficiency ; for the undertaking was one that would naturally appeal for sympathy and support with considerable chance of success.

During the following year, 1900-1901, a third room was opened, this time in another part of the parish. It also held four girls, and was worked on lines very similar to its predecessors, and with very similar results.

These early experiments were not considered unsatisfactory ; for the benefit to the girls in many ways was decidedly marked. In criticizing the effort it must be borne in mind that the parish workers were of opinion that 1s. 3d. a week was both the very least and the very most that could be demanded from each girl. It was the very least that could be asked, if the "nests," as they were called, were to be maintained. It was the very most that could be asked, if the girls whom it was desired to reach were to be induced to come. From the managers' point of view it should be noted that the assessment of charges, so as exactly to cover the expenses of rent and cleaning, meant almost of necessity that the receipts would practically fall short of accomplishing even this. For a bed might be vacant a few nights, or a girl might be out of work for a day or two. From the girls' point of view, 1s. 3d. was seen to be a large proportion to spend on rent out of such miserable earnings as 3s. a week.

This year a new development is taking place. The original rooms have been abandoned, and the top premises of a house rented instead. Here there are three large bedrooms, each one capable of accommodating six girls. There are in addition a sitting-room, a bath-room, and a small bedroom for a caretaker. The rent of these premises is £1 a week, and when all the beds are occupied the income derived from the girls amounts to £1 2s. 6d. It is only fair to state that the house is let at certainly 2s. 6d. less than its market value. But, on the other hand, at a push, twenty girls could be, and indeed have been, provided for here.

The new move on the whole has been a satisfactory one. It is true

that the weekly payments of the girls now do little more than cover the expenses of rent and washing, and cannot provide for the cleaning of the premises, putting aside the question of lighting. But on the other hand the young people have acquired a pleasant little sitting-room, and a really convenient bath-room. The soap used in the establishment is contributed by a gentleman who takes a kindly interest in the "nest" scheme.

The problem of caretaker is under discussion. For some time the small bedroom has been given rent free to a trustworthy woman in return for cleaning down the place once a week. The girls make their own beds and tidy their rooms before leaving in the morning ; and the caretaker has thus been able to go out most of the day to earn her own living. Possibly in a short time one of the regular lady district visitors, who has had the charge of the "nest" since its commencement, will be installed there.

This slight sketch will have served to show that the undertaking is not yet strictly on business lines. It may be looked upon, however, as a successful institution from a charitable point of view. Any one would say so, who was familiar with the class of girls for whom provision is made, with their saddening and sordid surroundings and their often deplorably hopeless outlook in life. Comparatively little is really required beyond the weekly contributions of the inmates. Experience teaches many things, and it may in time show those who are connected with this work some way by which it may be put on a self-supporting basis, and perhaps largely extended.

A. W. B. EVERITT.

AN INDUSTRIAL PARTNERSHIP (William Thomson and Sons, Ltd., Huddersfield).—It is much to be regretted that this admirable profit-sharing establishment (to which reference has been made from time to time in the pages of the *Economic Review*)—one of the commercial institutions of this country which follow nearest in the steps of the *Familistère* at Guise, the path-finder of the profit-sharing class, and still one of its best models—should for the past year again have failed to record a profit. "The continued depression and depreciation of prices," the report states, "rendered profitable business impossible"—the twelvemonth closing with a net loss of £591 6s. 8d. on a business of £21,895 6s., or between 2 and 3 per cent. This is not in itself a considerable loss, and in the event of a rise in prices might, to a greater or less extent, be recouped from the stock, valued at £19,501 18s. 2d.

But perhaps the moral gain of such a trial countervails the loss.

It is no small achievement to have trained a body of workpeople to be ready and willing to make real personal sacrifices for the welfare of the business in which they are engaged. For instance, the last report of the committee concludes as follows :—

“ We have pleasure in finding that the workers will again pay the interest on share-capital (£575), otherwise we should have been under the necessity, for the first time in the history of the society, of passing the dividend, as would have been the case under similar circumstances in an ordinary joint-stock company.

“ We take this opportunity of pointing out that this is the fourth occasion, during the past fourteen years, when the workers have justified their claim to being truly members of an industrial partnership, by coming forward and meeting this charge themselves, which, with the proposed payment, represents about £1600.”

It may be well to repeat that this firm is engaged in the manufacture of woollen and worsted cloth, of the best quality only, without the admixture of a single fibre of shoddy, and that the whole business is conducted upon cash terms without commissions or bribes. It would be a thousand pities if such an enterprise were allowed to lapse through lack of adequate support. Private customers may help indirectly by ordering the cloth through their local tradesmen, or by dealing with the tailoring department of the Co-operative Institute, 19, Southampton Row, London, W.C.

J. M. LUDLOW.

THE GARDEN CITY CONFERENCE.¹—There is something fascinating in the Garden City proposal. Put briefly, it is a suggestion in the direction of purchasing large tracts of agricultural land with a view to the erection thereon of factories and suitable residences for workpeople. It would provide, and this is the genius of the suggestion, that five-sixths of the area shall always be reserved for agricultural pursuits, so that workpeople in industrial enterprises could be encouraged to take up gardening as a hobby, using it as a practical aid to their income. In short, the Garden City, as one of the speakers says, would combine the advantages of town and country life. It would restore to Englishmen and Englishwomen some of the physique which, in recent years, has been so impaired by the unhealthy conditions of town life as we know it to-day ; it would also provide the closeness of intercourse, the brightness and lightness of city life. Further, it would be cheaper for the manufacturer himself, if only the

¹ *Report of Proceedings.* [80 pp. 8vo. 6d. Garden City Association, 77, Chancery Lane, W.C.]

cost of the initial removal could be overcome ; and he would be repaid by having healthier employees, who would and could accept less monetary, but greater actual wages, by reason of the better conditions of life, and the availability of vegetable food and cheaper housing. Moreover, the establishment of industries in such places would relieve the manufacturer of the heavy incubus of town rental, whilst the scheme provides, by the arrangement of convenient railways to encircle the Garden City, for the conveyance of his products from his mill or factory to any portion of the country.

I need not go further into detail, for the reader who cares to master the precise proposals may be referred to the pamphlet in which the proceedings of the Conference at Bournville are fully disclosed. It presents an immediate remedy. Unlike the Single Tax, which provides for generations yet to be, the Garden City scheme is at once practicable. There is nothing whatever to prevent a number of manufacturers combining with a considerable number of the public to form a limited liability company to run a Garden City. Bournville, itself, is a case in point. True, Bournville has the advantage of the support of Mr. George Cadbury, and such employers as Mr. Cadbury are not to be found everywhere. But what would be a desirable experiment would be a Garden City erected by the contributions of small shareholders, themselves future residents and workers in the city. That some such experiment will shortly be tried is beyond doubt.

I am of opinion that, with his usual acuteness, Mr. Bernard Shaw indicates the weakness of the scheme. The old bugbear "unearned increment" comes in with a vengeance. It must be remembered that the original shareholders are to be limited to 4 or 5 per cent. interest, and that the municipality, whatever it may be, can purchase its city at par from the original shareholders after a certain period. This is done to prevent the city falling into the hands of a few shareholders, by the purchase of shares, whence the old landowner curse might arise in a new form. But how are we to prevent a city of vast prosperity coming into the hands of its own inhabitants, who at once, in a great or less degree, become "bloated capitalists," to use the phrase of the hour ? There is no answer. The inhabitants will only purchase when it is worth their while to purchase ; and as they can always do it at the original cost of the shares, it seems possible for them to get hold of precious property at a tithe of its cost. There is a danger here, and something will have to be proposed to meet it. Mr. Bernard Shaw urges that the unearned increment must remain in the hands of the original trustees for the propagation of the cause, —apparently, for the establishment of other garden cities. If these

again succeed—but we are in an endless chain of difficulty. Again, the fringe of land surrounding the Garden City will at once mount up in value. How is it to be dealt with? Mr. Nevill, who expounds the scheme most ably, admits the difficulty at this point. Mr. Cadbury quotes an interesting instance of a similar difficulty in a smaller way, where his people purchased houses and resold them some time afterwards, and pocketed the unearned increment. It is not so easy to get rid of this old bugbear, which attaches to all ownership of land except that by the State, and further light on the association's proposals on this point is very desirable.

In no carping spirit is this said. The proposal is a fair and straightforward effort to grapple with a difficulty which is approaching crisis point, and to this extent it claims approval, though it could be desired that some of the economic details had been more thoroughly thrashed out.

JOHN GARRETT LEIGH.

THE TOYNBEE HALL REPORT for the year ending in June, 1901, is of perhaps more than usual interest, because it acknowledges a change which has been gradually coming over the work of the settlement during the last ten years. There has apparently for some time been "a shifting in the balance of interest," to put it briefly, from the work of education and co-operation to social work, which, though possibly less ambitious, has brought with it a closer and more real connexion of the Hall with the neighbourhood. In the earlier years of its existence Toynbee Hall was chiefly known to the outside world as an educational institution—possibly, also, as a place where the trade unions and working men's organizations of the district might find a home and sympathetic assistance from the residents. Readers of the Report at that time were familiar with the accounts of University Extension lectures and evening classes, and they will remember, too, the assistance given by the Hall to Mr. Charles Booth in the early stages of his investigation. Nor is it to be supposed that this side of the work has entirely died out; there are still encouraging reports of real student work done in connexion with the Hall—in Balliol and Wadham Houses, for instance, or in the numerous classes organized by the educational committee of the Hall. But the outcry for education appears to have lessened; it may be that, if the area covered by educational effort is smaller, the actual work done is sounder and more lasting; at any rate "the dream of a college of working men in Whitechapel must be put aside for a time; a centre of University teaching in East London cannot be founded yet." Or again, the

trade unions and friendly societies still make the Hall a meeting-place and centre for their work, but the residents no longer take a prominent part in leading that work, partly because the unions and societies have strength to stand alone, partly because the main tendency of their policy does not now, as it did, command the sympathy of the residents.

In the place, then, of these older interests have sprung up new ones ; the more directly social work has been developing with great rapidity ; the energies of the residents find their outlet in brigades and clubs for boys and men rather than in lectures and unions. And on this side matters have progressed rapidly, so that on page 13 of the report we find a list of such clubs, which shows that the work of residents must cover a large area, both locally and in reference to the different classes and sections of the community among whom they are engaged. It is a very interesting change, and one cannot but suspect that it is in the right direction : the fundamental notion of a settlement would seem to be that its residents should live in the closest touch with the other inhabitants of the district, and it would appear more possible to attain that result by the close friendliness of clubs and societies than by the possibly more frigid intercourse of the lecture-room.

CYRIL BAILEY.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

FOR a long time it has been the practice to publish the results of the census in several volumes, each containing particular sets of statistics for the whole country, so that if any one wanted the whole of the figures relating to a particular town or county, he had to get the whole of the volumes. This practice has now been abandoned, and the results of the census of 1901 are to be published in county parts, each of which is complete so far as the county dealt with is concerned. The change has some inconveniences, especially to the unlucky counties which come latest in the order of publication, but on the whole it is to be very heartily welcomed. It will make the work far more easy for the statistician to handle when it is complete, and the possibility of getting the whole of the figures for a county separately will probably do much to familiarize local administrators, not to say parish politicians, with the nature and uses of the census. Each county part will contain—

(a.) Fifteen tables in which is given the population of every imaginable civil area, and also of the ecclesiastical parishes. In these tables are also to be found the division of the population of nearly all areas into male and female ; the number of houses inhabited and uninhabited, occupied and unoccupied ; the area of land, inland water, and tidal water or foreshore ; a list of changes in the boundaries of parishes ; means of comparison with the census of 1891, and, in case of the whole county, with all the censuses since 1801.

(b.) Three tables giving the number of persons in various institutions, and different classes of ships and boats.

(c.) Three tables showing for each urban and rural district the number of tenements with one, two, three, four, five, and over five rooms, and the number of persons occupying each class ; the whole compared with the results of the 1891 census.

(d.) A table showing for each registration district (i.e. union) the marriages, births, and deaths for the ten years preceding the census, and (by comparison of the excess of births over deaths with the increase of population) showing the net gain or loss by migration in that period.

(e.) Seven tables giving for each borough or urban district and each rural district the ages and condition as to marriage of males and females, and the ages of husbands and wives in combination.

(f.) Two tables giving the age and condition as to marriage of indoor paupers and prisoners.

(g.) Four tables giving the occupations at each age-group of males and females for the county, and, in a somewhat condensed form, for the county boroughs, and for each urban district in which the population exceeds 50,000 persons.

(h.) Two tables giving the birth-places of males and females. In the old censuses there is another interesting table, showing the distribution of natives of the county among other counties ; but this is necessarily excluded from the piecemeal publication of the present census. It is to be hoped that it will appear in the final report. If it does not, any one desirous of acquiring the information as to any one county would have to pick it laboriously out from all the other county tables.

(i.) Three tables giving particulars as to the number, age, occupation, and condition as to marriage of the blind, deaf, deaf and dumb, lunatic, imbecile, and feeble-minded.

We have now before us the first fruits of the new method of publication in the *Census of England and Wales*, 1901, *County of London* (Cd. 875, fol., 191 pp. and map, 1s. 9d.). Till near the middle of last century "London within the bills of mortality" was from time to time enlarged by the inclusion of additional parishes. There does not appear to have been any great reluctance to make these additions : we even find, just before the Revolution, a foreign statistician, who was anxious to make out a case against London's title to be the biggest city, objecting that some of the included parishes did not really belong to London, and Petty¹ admitting that there was at least a "colour of non-contiguity" as to Islington, Newington, and Hackney. But the exigencies of main drainage stereotyped the area in the decade 1840-50, and the London County Council now rules over, not London, but an area which it was considered convenient to put under one drainage authority nearly seventy years ago. Down to 1881 this area shows in the census no very marked signs of repletion. Its rate of growth fluctuated a little, generally in tolerable accordance with that of the whole country, allowing for particular circumstances, such as the Great Exhibition and the Irish famine immigration. The rate was never higher than 21.2 per cent. in the decade, nor less than 16.1. In addition to its "natural increase," or the excess of

¹ *Works*, p. 529, ed. Hull.

births over deaths, large accessions by immigration—about 188,000 in 1851–61, 119,000 in 1861–71, and 108,000 in 1871–81—were received. But in the ten years 1881–91 the area which is now the County of London, probably for the first time since the earliest inhabitants settled upon it, began to overflow. Instead of receiving a balance of 108,000 from the outside world, it presented the rest of the world with a balance: the people who went out exceeded those who came in by 118,000. Consequently, though the “natural increase” was 60,000 greater, the actual increase was 166,000 less than in the previous ten years. The process has, of course, continued. In 1891–1901 the “cockney exodus” was 182,000, or 64,000 more than in the previous decade, while the excess of births over deaths was 491,000, or 23,000 less, so that the actual increase of population fell from 396,000 to 309,000.

Owing to the very awkward shape of the county and all its subdivisions, it is difficult to get any comprehensive idea of what has actually been happening; but the following may be regarded as a rough approximation to the truth. If we draw a circle of two miles' radius from the Mansion House, and add to it an excrescence on the west, so as to make it include the whole of the City of Westminster, and cover up to Regent's Park in Marylebone, we find within this area of 10,400 acres (including Hyde Park) a population of rather less than a million and a half, which has decreased about 3 per cent. in the ten years. Drawing another very jagged circle of four miles' radius from the Mansion House, we find in the space between it and the inner disc about 21,000 acres, inhabited by about 1,660,000 persons, who have increased about 5 per cent. since 1891. Between this jagged circle and a third jagged circle of seven miles' radius, we find, on about 85,000 acres, nearly two millions and a half inhabitants within and without the county of London, and these have increased by about 635,000, or over 30 per cent., in the decade. Outside this seven-mile circle, however, the growth of London has as yet hardly made itself felt; the remainder of the Metropolitan Police district, which is bounded by a line running very roughly about thirteen miles from Charing Cross, includes no less than 325,000 acres, and only had 1,045,000 inhabitants, who, however, had increased from 775,000, that is, about 35 per cent.

Of course these rough rings are not homogeneous. The central disc shows large decreases in the quarters where offices are encroaching on dwelling houses and rooms, and especially where the London County Council has made a desert preparatory to the construction of the new street. Elsewhere it seems practically stationary, except in the

western part of the borough of Stepney, where the foreigners have pressed in, and in several subdistricts on the south side, of which St. Mary, Newington, with an increase of over 17 per cent., is by far the worst case. All these districts were very much too full in 1891, and it is very unsatisfactory that they should have increased at all. In the two-to-four-mile ring a small increase is the general rule, except in the extreme southern portion, which increases rapidly, being not yet so full as the northern portion. In the four-to-seven-mile circle there are scarcely any decreases, and the increases are usually very large. Outside the seven-mile circle population is very patchy; here and there along the railways neighbourhoods have been built over, but there are districts miles square which have not one inhabitant per acre; and how loose is the texture of the whole thing compared to a district entirely covered with cottages may be indicated if we reflect that, if packed as the London County Council propose to pack their small estate at Tottenham, the Metropolitan and City Police area would hold over ninety million inhabitants.

The number of foreigners enumerated in the county was 95,000 in 1891, and 135,000 in 1901, which indicates a net immigration of aliens considerably exceeding 40,000, since many of the original 95,000 must have died in the decade. About 26,000 of the increase consists of Russians and Russian Poles, who now number 53,500, no less than 42,000 of these being in the borough of Stepney. As we already know that the net emigration from the county has increased, and may reasonably conjecture that this is caused partly by decrease of immigration for settlement as well as by increased emigration for settlement, we are not surprised to find that the proportion of inhabitants of the county who were born in it has increased. The colonials also, having risen from 29,620 to 33,350, have slightly increased their weight. Room has been made for these by a diminution in the proportion of natives of Ireland and of England outside London. The natives of Ireland, and of almost every one of the rural counties of England, show an absolute decrease.

The stationary character of the annual tale of births in London for the last twenty years begins to show its inevitable effect. The number of children under 15 has actually sunk from 1,372,207 in 1891 to 1,357,874 in 1901. In 1871, if you wished to see the youngest third of the population, you would have had to order all under 15 to stand aside. In 1881 it would have been all under 14, in 1891 all under 15 and 4 months, while in 1901 it was all under 16 and 10 months. The diminution does not seem to have been confined to any particular quarter, or to be much more noticeable in any particular

class of locality. The absolute prolificness of the poorer districts is much greater than that of the richer : for example, while Paddington, Kensington, and Hampstead have less than $1\frac{1}{3}$ children under 15 to each married woman, Stepney and Bethnal Green have over 2, and several other eastern districts nearly as many. Judged by the proportion of domestic servants to families, and reckoning each man-servant as equal to two maid-servants, Westminster, Kensington, and Hampstead, with 88, 85, and 83 to each 100 families, are by far the richest boroughs. After these come Chelsea with 63, and Marylebone with 57. At the bottom of the scale come Shoreditch and Bethnal Green with 6 ; and Bermondsey, Southwark, Poplar, Finsbury, and Stepney, all with less than 9.

The "occupations" are always the least satisfactory part of the census returns, and they are especially so in a central urban area like the county of London. We cannot infer the increase of small farms from the fact that "farmers" in the county have risen from 278 to 324. There are many not unexpected increases, of which the largest is that of the electrical people, 166 per cent. Of the declines, that of 13 per cent. in male and 10 per cent. in female bootmakers seems the most important. The 4011 women making artificial flowers have dropped to 2337 in 1901. The printers still increase a little, in spite of the removal of much of the business.

An instalment of the Scotch census appears in the form of *Parliamentary Burghs, Districts of Burghs, and Counties in Scotland* (Cd. 898, fol., 16 pp., 2d.). Why so much attention should be lavished on these parliamentary divisions it is difficult for any one unconnected with electioneering to understand. Looking at the return immediately after the London census, perhaps the most striking feature is the extraordinarily overcrowded character of the parliamentary borough of Glasgow. It is said to contain 622,372 persons, and these persons are said to have only 301,143 "rooms with windows" to live in, i.e. there are 2·06 persons on the average per room. In England we do not get the total number of rooms, but only the number of rooms in tenements of less than five rooms. In the main it is obviously true that the people who live in tenements of less than five rooms will be poorer and more crowded than the rest, and yet we find that in the county of London, which occupies much the same relation to greater London that the parliamentary borough of Glasgow does to greater Glasgow, the 2,449,789 persons who live in tenements of less than 5 rooms have altogether 1,655,144 rooms, i.e. the population is only 1·48 per room. It would seem to be very difficult to pick out any single district in London in which the state of things is as unsatisfactory

as in the whole of Glasgow. In Stepney 209,200 persons *living in tenements of less than five rooms* have 118,576 rooms. In Glasgow the *whole population* of the St. Rollox and Bridgeton divisions, amounting to almost exactly the same (209,868), have only 92,566 rooms. Glasgow is often held up as an example to other towns, and it certainly is one—to be avoided. Not only is its present condition abominable, but it has grown slightly worse in the last ten years, while London and probably almost all other English towns have been improving.

The census of Ireland is also coming out in parts like the English, but, instead of starting with the capital city, it begins with *Part I., Vol. 1, Province of Leinster, No. 1, County of Carlow* (Cd. 847, fol., 86 pp., 9d.). The county of Carlow has a population of 37,748, but it occupies half as much space as the county of London in the English census. It is not much use publishing statistics in such detail. Any one who wants to know that there is one person following a particular occupation in a particular district, and two following another, and so on, had much better go and look at the people on the spot.

The *Tenth General Annual Report of the Board of Trade under Section 29 of the Companies Winding-up Act, 1890* (Commons Paper, 1901, No. 324, fol., 81 pp., 9d.) covers the year 1900. The Inspector-General (Mr. John Smith) thinks that the annual volume of company insolvency has probably reached its maximum for the present. He attributes this chiefly to the public disclosures of the methods of corrupt promoters which have been so common in recent years.

The paper entitled *Railway Servants (Hours of Labour)* (Commons Paper, 1901, No. 325, 11 pp., 1½d.) contains the Board of Trade's report of its proceedings under the hours of work provisions of the Railway Regulation Act, 1893, during the year ending (of all odd days in the calendar) on the 27th of July, 1901. There were fewer complaints than in any previous year. The Report suggests that there has been more improvement in the booked hours than in the actual hours, and it is difficult for the reader not to suspect that the diminution of complaints is another indication of readiness to work long hours if many of the hours are outside the regular time, and paid for at higher rates.

The *Report of the Departmental Committee appointed to inquire into the Use of Preservatives and Colouring Matters in the Preservation and Colouring of Food, with Minutes of Evidence* (Cd. 833, fol., 538 pp., 4s. 3d.), contains some fairly drastic recommendations. It proposes to prohibit formalin, copper salts in "greening" vegetables, preservatives or colouring matters in milk, and chemical preservatives

in "invalids'" and "infants'" foods. Nothing should be allowed in cream, butter, and margarine except boric acid and borax, and these to be limited to certain definite proportions. Clause 118 of the Report says, "It has been estimated that about 50 per cent. of the dairymen of London use preservatives. One of the largest dairy companies in London (Welford Dairy Company, Limited) declined to furnish us with any information; but evidence was given by another large company (the Aylesbury Dairy Company, Limited) that they used no preservative whatever, either in milk, cream, or butter." The advantage and disadvantage of preservatives in milk are succinctly described in section 116, "under the influence of these preservatives milk may be exposed without sensible injury to conditions which otherwise would render it unsaleable. It may remain sweet to taste and smell, and yet have incorporated disease-germs of various kinds, whereof the activity may be suspended for a time by the action of the preservative, but may be resumed before the milk is digested." In other and perhaps coarser language, the use of preservatives perform much the same service as holding your nose while you eat a bad egg. Apparently, London has been supplied with milk for years from a place 126 miles away without the use of preservatives.

The *Report of the Inter-departmental Committee on the Employment of School Children, appointed by the Secretary of State for the Home Department* (Cd. 849, fol., 25 pp., 3d.) and its *Minutes of Evidence* (Cd. 895, fol., 497 pp., 4s. 2d.) is an important contribution towards the solution of a question which is not so simple as it looks. The Committee consisted of Mr. H. H. S. Cunyngham, C.B., and Mr. C. E. Troup, C.E. of the Home Office, Mr. H. M. Lindsell, and Mr. H. E. B. Garrison of the Board of Education, with Mr. H. Ll. Smith of the Labour Department. They estimate the number of children in question at about 300,000 in England and Wales, including 100,000 half-timers. Many of the cases which seem the worst, owing to the length of the hours, are not really so, the work being of a more healthy, lighter, or more intermittent character. Some kinds of employment, such as lathering in barbers' shops, is condemned altogether; while others, such as the early drive of the milkboy who was recommended the employment as a cure for consumption, are beneficial to body and mind. The proposals of the Committee are, first, that the prohibition of employment between 9 p.m. and 6 a.m. (subject to alteration by bye-law) which at present applies to certain trades under the Prevention of Cruelty to Children Act, 1894 (*Economic Review* Jan. 1895, p. 133), should be extended to all occupations, and that the employment of children in carrying heavy weights or otherwise in a manner injurious

to life, limb, or health, should be altogether prohibited ; and secondly, that county and borough councils should be given power to make bye-laws as to the ages at which school children may be employed in all or any occupations, as to the hours of the day within which they may be employed, and as to the number of hours during which they may be employed.

EDWIN CANNAN.

REVIEWS.

HISTORY OF INTELLECTUAL DEVELOPMENT on the Lines of Modern Evolution. By JOHN BEATTIE CROZIER. [Vol. iii. xiv., 355 pp. 8vo. 10s. 6d. Longmans. London, 1901.]

This volume is a kind of *vindemiatio prima* of the studies which Dr. Crozier has devoted to the history of intellectual development ; being, in fact, a provisional sketch of the practical conclusions that result from the particular standpoint adopted, namely, "that furnished by the history of the evolution of civilization as a whole." The present volume, in contrast with the two other volumes (the second of which has still to appear), deals entirely with practical problems, and includes an attempted "reconstruction of the politics of England, France, and America for the twentieth century"—an ambitious programme, though the author deprecates the idea of his sketches being considered as "either dogmatic or authoritative productions."

The main thesis to which this volume is addressed is an old one, viz. the necessity of a science of politics ; the particular form which this idea assumes in Dr. Crozier's hands is that a science of politics is bound up with a knowledge of the evolution of civilization in general.

He is quite aware of "the illusions of history"—the illusions fostered by the historians of special periods as well as by the historians of civilization ; but these illusions "ought to be rendered impossible in the future by a scientific knowledge of the true course of civilization in the past," as opposed to the piecemeal and abstract methods of history that prevail. In particular, the illusion of "separate historical stages" has misled not only Comte, but the German Socialists. For all that, nothing but the historic sense can save the politician from "the illusions of the present"—the illusion, for instance, that "the present time is a *natural* instead of an *artificial* product," and the illusion that arises from the fallacy of the abstract ideal—which consists in the attempt to make the world conform to certain abstract ideals "which are only *means*, but are mistaken for *ends*." Dr. Crozier's account of the way in which certain political or economical

expedients were "blown into" abstract ideals is exceedingly instructive, even if it is not exactly novel. The same may be said of his examination of Socialism : what he objects to in Socialism is its "catastrophic" aim and its doctrine of "labour-time :" otherwise, he goes a long way with the programme of a reasonable Socialism : and, in particular, he would make the recognition of "some fixed minimum of wage" the basis of any sound industrial system ; though he does not seem to look for its institution to any other source than the "frank concession" of employers. With the essence or "the soul" of Socialism he is in complete sympathy, as also with any practical Socialism of a "Fabian" or gradually progressive type ; and one of his rules of practical statesmanship (founded on "the evolution of civilization in the past") is that reform must begin with material and social conditions.

The application of general principles to three types of political life—England, France, America—forms the second part of the volume, and it is certainly interesting and suggestive. The ideal of England, it is suggested, is one of character and sport, with material wealth as its basis, and the "gentleman" as its representative : what remains is that to the ideal of character be added the ideal of intelligence. The problem, therefore, is "a comparatively simple one :" it consists in "the bridging of the wide gaps, dividing the different classes of the people, by a more minute grading of their material and social conditions, whereby by making intelligence the *means* of rising in the scales, the ideal of intelligence, which is so needed to maintain our industrial position in the world, is added to the ideal of character, which is the outcome of the nation's history and traditions."

I have no space to follow Dr. Crozier's treatment of the very different problems presented by France and America ; but it is well worth reading. In spite of much that may appear at first sight as pedantic or fantastic in Dr. Crozier's speculations, they are certainly full of matter and suggestion. There is, indeed, a good deal more actuality about Dr. Crozier's "sociology" than there is about more familiar sociologies. At the same time, the idea of the evolution of civilization—whether as a determinate conception or as a statesman's chart—is by no means so clear or easy as Dr. Crozier seems to suggest, and as it ought to be, if it is to be the "political bible of the future." It may serve as a regulative idea of statesmanship, but can it be made precise enough to serve the purposes of a manual for statesmen—to be "adopted" as "the supreme guide of practical politics"—as a national bible "proficiency in which is to be made a preliminary to all Civil Service appointments, and a condition of all appointments in Church and

State"? Dr. Crozier's "rules of practical statesmanship" are eminently sound and reasonable; but, crystallized into the shape of a political bible, they assume a very different and a much more equivocal character. The new church would have not only the disadvantages of the old, but others peculiarly its own. When Dr. Crozier is analyzing the constituents of political judgment, he is on safe and good ground: but when he suggests that the laws of political development can be scientifically determined—that a political bible can be, and indeed has been found—he seems to be venturing on ground where the handholds and footholds are deceptive. But it is not the first time that sociological ambition has overleapt itself; and if the reader allows sufficiently for the sociological bias, he will find much in Dr. Crozier's ideas and proposals that is eminently interesting and instructive, and presented in a form that is at once forcible and graphic. They are, moreover, the reflections of an energetic and independent mind, distinguished by no common powers of observation and insight.

SIDNEY BALL.

INDUCTIVE SOCIOLOGY: A Syllabus of Methods, Analyses, and Classifications, and Provisionally Formulated Laws. By F. H. GIDDINGS, Ph.D., LL.D., Professor in Columbia University. [xviii., 302 pp. 8vo. 8s. 6d. net. Macmillan. New York, 1901.]

It is easier to describe the nature and purpose of Professor Giddings' latest piece of sociological writing than to estimate its point and usefulness. The object of his book, as we are told in the preface, is "to present a scheme of inductive method, a somewhat detailed analysis and classification of social facts, and a tentative formulation of the more obvious laws of social activity,—all as a basis for further inductive studies." Thus the "syllabus" is intended, not only for use in the class-room and seminary, but also as a means of assisting "scholars engaged in statistical research, or in constructive historical investigation." We further learn that fellows and other graduate students of Columbia University have actually for some time been prosecuting studies of both rural and urban communities under Professor Giddings' direction on lines similar to those he here lays down. Meanwhile, pending the publication of their gleanings, it would be premature to seek to judge the tree by its fruits. It is true that, in a short appendix, we are furnished with some sort of *vindemiatio prima*—for instance, with a map of the United States so shaded as to indicate the distribution of the "forceful," "convivial," "austere," and "rationally conscientious" types of character (the last type, by the

way, being confined to a few large towns). This is of a kind with Professor Giddings' "Provisional Distribution of the Population of the United States into Psychological Classes" (*Psychological Review*, viii. 337-349), which the curious may consult for details of procedure. But it is surely a far cry from this preliminary drafting of rough returns (even suppose them "certain," though not "exact," *i.e.* having an "algebraic," though not an "arithmetical," value as quantitative statistics, as Professor Giddings puts it, cf. pp. 24, 25) to the sociological science of which Comte and Spencer dream. This may be sociology in the making, or it may not. Psychological census-taking may lead to the discovery of "laws," or it may conduct the inquirers down a blind-alley. It all remains to be seen; and the bystander can scarcely do more than wish Professor Giddings and his friends all success, and bid them "go on, only go on a great deal further ere you venture to call upon all the students of social mankind in a body to model their methods on yours."

So much, then, for the present volume considered in its leading aspect, which is that of a conspectus of topics for inductive sociological inquiry. But it has also another side. Questions presuppose answers. We may even lay it down as an axiom that, barring accidents—such an accident, for instance, as that whereby sheer error may initiate discovery by rousing some one to confute it,—the suggestive and the assertive values of a proposed set of working principles will be strictly on a par. What, then, is the worth of the present volume regarded positively as a provisional system of general classificatory sociology? The reader of it who asks himself this question may be recommended to study *Inductive Sociology* in close connexion with Professor Giddings' other works, more especially his *Principles of Sociology*. Taken by itself the present book must necessarily seem all too formal and dogmatic. The discursive operations of the preliminary induction are over ere we begin. We but assist at the work of formulating the hypothesis by the aid of a terminology. And a very cleverly-managed terminology it is, in the light of what it is designed to do. There is nothing to object to in it save at most a few barbarisms, *e.g.* *consanguini*, *mezzocephalic*, and a few obscurities, *e.g.* "attainment, or distinction, of the community," and perhaps "characterization."

If, however, any one has hitherto felt doubtful as to what Professor Giddings' views precisely were—though truly that talented writer was never the man to "sit upon the fence"—let him consult *Inductive Sociology*. It is all there set down in black and white. At the outset the note of "similarity" is sounded. For our logical canons we are unhesitatingly referred to Mill. Sociological law is to be achieved by

what a recent critic of Professor Giddings has termed "a contagion of similars." Society is *between* its members who are themselves first and its members afterwards. Well, if this were all, I confess that, personally, I like it better than I like society the independent whole, be it conceived as a rudimentary kind of beast, or as an ideal Prussian state laid up in heaven for those who can feel their social limitations, and in so doing "transcend" them! But it likes me not so well that the "law" of "social composition" (composition—mark the word!) should presently be formulated thus—that it "develops in proportion to the intensity and scope of the passion for homogeneity." Contiguous organic atoms, that is to say, give forth like responses to like stimuli. Natural selection ordains that these likenesses shall continually increase in number, and, from being sporadic and "spontaneous," shall become fixed and instinctive. At last they become so much alike that they simply cannot any longer help recognizing what the bystander has recognized all along, namely, that in so far as they are alike they form a sum (not quite the same thing, however, as a compound). And now, since still, as before, it is their natural function to go on ever piling up more likenesses, their function becomes their pleasure, and their pleasure becomes operative as a cause, that is, antecedent, of purposive action, educational, economic, moral, political, in a word, social. And what of the differences? One class of them, of course, is being progressively ousted by the likeness. But what of the differences that are taken up within the likenesses, as when we agree to differ, and differ to agree—the fact of facts for political economy, to go no further? This is the *pas terrible* of Professor Giddings' social philosophy. He disagrees with Tarde's method of simply summing the similarities as exclusive of the differences, and identifies "consciousness of kind" with "accommodation," which is taken to imply a certain harmonization of differences. But how he gets "accommodation" out of his atomistic premisses, and how he finds room for it within the law of social composition above mentioned, it is not easy to see. Professor Giddings believes in Spencer. Will he not give heed to the Spencerian identification of the homogeneous with the chaotic?

For the rest, the book is beautifully printed, and a model of clear statement and clear arrangement. The excellent plan is followed of using large print for the enunciation of principles, and small print wherever explanation and commentary are found necessary. Professor Giddings has managed to work in a wonderful amount of suggestive detail into these small-print notes, and they are none the less interesting because he has put into them something of himself. Indeed, I am

tempted to try my hand at a piece of psychological census-work in his case, and to pronounce him "critical-intellectual," with just a tendency to descend to the "dogmatic-emotional" when he thinks of the kind of psychologist who "juggles with" words like "self-determination" (cf. p. 268).

R. R. MARETT.

SOCIAL CONTROL. A Survey of the Foundations of Order. By E. ALSWORTH ROSS, Ph.D., Professor of Sociology in the University of Nebraska. [463 pp. Crown 8vo. 5s. net. Macmillan. New York, 1901.]

The dissertation under review is an amplification of the argument running through a series of articles contributed by the author to the *American Journal of Sociology* between 1896 and 1898. The preface divides the ascendancy wielded over the individual by the society in which he is placed under two heads. Fashion, mob-mind, convention, custom, and public opinion are all grouped together, as being "without intention or purpose," under the title of Social Influence. Laws, State systems of education, and ascendancy in general, wherever it is consciously exercised, come under the head of Social Control. It may be objected in passing that convention and custom are expressly maintained by public opinion as a check on individual vagaries, and, indeed, the author seems in passages here and there to share this view himself. He first examines the factors in the human character which make for social control. He finds them in a mutual sympathy borrowed from the example set by the maternal relationship, and fostered by the advantages springing from the co-operation which it renders possible to the more peaceable strains of the race, in natural sociability, or a habit of living together in constant intercourse, in the prevalence of a sense of justice or fair play among equals, and, lastly, in resentment against injustice. This last is regarded as the complement of the sense of justice. If the latter prevents a man from himself perpetrating an injury on his neighbour, the feeling of resentment against a wrong done to himself stimulates him to action which shall prevent a repetition of unjust conduct by his neighbour. Thus the feeling of resentment, as well as the sense of justice, makes for social peace. Professor Ross goes even so far as to affirm that the heat of passion is essential to stir up the weaker to assert their rights against the stronger. The feeling of sociability he describes seems simply of a piece with the instinct for companionship characteristic of cattle and sheep and other animals of the gregarious type, as much as of the human species, and therefore to be purely instinctive. Accordingly it, and not the feeling

of sympathy, ought surely to have been treated as the primary link in the chain of causation of social control. And surely, too, it lies within the experience of most of us that sociability of disposition is quite consistent, and, indeed, is frequently found in combination, with a marked degree of pugnacity. It could hardly be otherwise, since, apart from a social environment, pugnacity would have no field for its activities.

The author proceeds to prove the need for social control, and to discuss the direction it should take, and the agencies through which it should be administered. Its necessity lies in the complexity and mutual antagonism of interests inseparable from any save the most primitive and unadvanced communities. A condition of spontaneous Arcadian honesty and order, independent of any authority, was possible among the pioneer miners of California, because the unique circumstances under which life was carried on permitted the interest of each man to be consistent with that of everybody else. Such a phase, of course, quickly passed away, and it is incompatible with the existence of any field adequate to the full and free play of human faculties. The argument that a body of men is incompetent to control others because it is made up of individuals who cannot control themselves is contested, on the ground that it needs less strength of conviction to force our principles on others than to act on them ourselves. This passage is not the only one marked by a shade of cynicism. Here the author's premise is more correct than his inference. Its greater disinterestedness is the sole advantage which the community has over the individual in the forming of opinion, and it is at the same time handicapped by greater indifference and ignorance. Often it is not even disinterested. At the present moment, if opinion on the House of Lords' decision on the corporate liability of Trade Unions could be polled, the vote would no doubt be adverse, just because the majority of our people are wage-earners keenly interested in maintaining the power, and therefore the irresponsibility, of the Unions. Professor Ross himself admits the fallaciousness of crude public sentiment, but he counts upon its becoming purified through a general improvement in character and intelligence resulting from a general acceptance of certain moral maxims as guides of opinion, and upon "the ascendancy of the wise."

If this means anything, it means that a people ought to be governed by the opinion of its best men, and it is based on the assumption that the people have a sound instinct for detecting their best men. But that is not the same as being governed by public opinion, as the following passage clearly proves. Speaking of his own country, the author

observes, "With a democratic, forward-looking people like ours, opinion, no longer split up into small currents by class lines, or broken in force by masses of family, sect, or class tradition, the *débris* of the past, acquires a tidal volume and sweep. . . . We are come to a time when ordinary men are scarcely aware of the coercion of public opinion, so used are they to follow. They cannot dream of aught but acquiescence in an unmistakable edict of the mass. It is not so much the dread of what an angry public may do that disarms the modern American, as it is sheer inability to stand unmoved in the rush of totally hostile comment, to endure a life perpetually at variance with the conscience and feeling of those about him."

To an irreverent alien the comment occurs that, if public opinion be thus powerful in the States to enslave or to deaden private thought, it has not shown itself particularly successful as yet in its warfare against the bosses of politics and commerce, who still flourish as the green bay-tree. Local opinion may have had some effect in checking abuses in isolated instances for a time and within a limited area. Even so, is not the opinion thus potent very often really sectional rather than general? At all events, the political machine and the commercial trust continue unsubdued by the force of public opinion, which, indeed, may seem to be almost on their side. Such, at least, is the moral of the past six years of the municipal history of New York, and the fatal cycle may yet repeat itself in spite of the new mayor and his party. Public opinion is, after all, simply published opinion, which may or may not agree with the individual private opinions it claims to voice. Very often it exaggerates them, and sometimes it distorts them. Instance, the views retailed by the newspapers upon foreign affairs. Hence the surprises of the ballot-box. After all, our conduct is influenced far more by the opinion of our own set or profession—the sectional opinion so depreciated by our author—than by that of the general public. At all events, must not this voluntary self-suppression of private opinion at which he hints conduce to a general stagnation of thought, in which any utterance having the similitude of originality, no matter how erroneous or even absurd it may be, will gain for its enunciator the reputation of a prophet?

Professor Ross, who is by no means altogether blind to the fallibility of public opinion, hardly solves this difficulty by elsewhere accentuating the *rôle* of the *élite*, or original thinkers, and by claiming for his fellow-country men that they recognize liberty of prophesying, and that they are readily permeable with the prophets' teachings. He inherits all the traditional American distrust of a State church, or even perhaps of a purely moral supremacy of any one religious body, and it is this distrust

which would seem to have inspired his remark that "hypocrisy is, in fact, the thing we must expect wherever men are ranked and organized for moral guidance and get honour or pay out of it. . . . Our reward for subjecting no determinate body of men to the strain of moral leadership is that we have no class deeply tainted with hypocrisy." In this passage one cannot but feel that the author has overlooked another and perhaps more insidious temptation to hypocrisy—the necessity on the part of the *élite* of discreetly modifying the expression of their views in face of such overwhelming currents of conventional opinion as are described in a previous quotation.

In several respects the book is disappointing. One could have hoped that Professor Ross would have covered fewer of his pages with sufficiently familiar denunciations of the feudal and ecclesiastical abuses of mediæval Europe, and would have utilized the space thus gained for a study of the prospect now held out by this dawning century to the salaried and wage-paid classes of the United States of a rapid concentration of all financial and industrial control in the hands of a numerically small plutocracy, and of the results such concentration is likely to entail upon American society. An investigation of the consequences following upon great legislative activity combined, as is the case in several States of the Union, with extreme sluggishness on the part of the executive departments, would have been particularly appropriate to the author's subject. But not a word is said on either topic, though both of them surely present a field for social control. Yet the assassination, only the other day, of President McKinley, by an American-born citizen, is enough to rouse the most optimistic American to a suspicion that there may after all be something lacking in the present social system of his country.

C. H. D'E. LEPPINGTON.

ANTICIPATIONS of the Reaction of Mechanical and Scientific Progress upon Human Life and Thought. By H. G. WELLS.
[318 pp. 8vo. 7s. 6d. Chapman & Hall. London, 1902.]

"Imagine yourself in a submarine that has ventured a few miles out of port, imagine that you have headache and nausea, and that some ship of the *Cobra* type is flashing itself and its searchlights about whenever you come up to the surface, and promptly tearing down on your descending bubbles with a ram, trailing perhaps a tail of grapples or a net as well." Why this elaboration? All that a boat of the *Cobra* type has to do to destroy a submarine is to be careful not to break in two till she has got exactly above it. But Mr. Wells published his work by instalments, and this particular passage appeared before the *Cobra*

disaster and the successful experiments with submarines. That is the worst of being an anticipator in print ; the exigencies of the publishing trade take too much time. To follow Mr. Wells in detail would occupy far too many of these pages, so I will only offer criticism on two rather important matters.

In the first place, it seems to me that to fulfil Mr. Wells' desire to anticipate scientifically, it is necessary to pay some attention to vital statistics. His anticipations can never be fulfilled if civilized peoples die out, and that is what they will do under the *régime* he imagines. He must rearrange his scheme by providing sufficient motive for the production of children. At present he seems to think all that is required is to check the production, but if he will look further into the matter, he will find that his views are based on a state of things which has already passed away, so far, at least, as white English-speaking peoples are concerned.

Secondly, I am sorry to see that Mr. Wells is strongly inclined towards the worship of the new false god, Efficiency. That cult properly belongs to the inefficient, and why Mr. Wells, who is an efficient workman himself at his own business, should join the army of incapables who spend their days in telling other people to be efficient, it is difficult to see. However, perhaps he may say, with some justice, that he is not telling other people to be efficient, but only saying that the efficient will win. I do not feel quite sure about that. Doubtless the efficient Cromwell cut off the head of the inefficient Charles I. ; but, after all, the still more inefficient Charles II. dug up Cromwell's bones, and reigned in tolerable comfort for a quarter of a century, which is much more than Cromwell could have done if he had lived. Even at the present time it must occasionally strike even the devotees of efficiency as rather odd that the three Englishmen who have the greatest reputation for efficiency in politics, administration, and war, if they are attaining their end at all, are only attaining it at a cost which no single person would have agreed to pay if they had foreseen it. But, granting that efficiency in the best sense is going to win, I should like to know what it will win, and as to this Mr. Wells is somewhat vague. In one place I find a promise that the efficient nation will be "the most powerful in warfare as in peace," and will be the "ascendant or dominant nation" before the year 2000. But is there any value in ascendancy and domination ? Is not it mere childish silliness ? In another place I find that instead of socialism, "a confluent system of Trust-owned business organisms, and of Universities, and reorganized military and naval services, may presently discover an essential unity of purpose, presently begin

thinking a literature, and behaving like a state." This strikes me as a fairly accurate description of some of the worst features of the present time, rather than of a future to which we may look forward with satisfaction. I should have hesitated to apply the language of small-pox to the connexion between large financial undertakings, but it is not altogether inappropriate. Business in this particular form, the kind of culture which makes people supercilious instead of forbearing and wise, and professional militarism, have already discovered a unity of purpose ; they already think a literature (sold daily at 3*d.*, 1*d.*, and $\frac{1}{2}$ *d.*), and behave like a state, and a very piratical one too. The Steel Trust, Mr. Wells says, is a preliminary "to the capture of the empire of the seas." I doubt if he has any clear idea what he means by the empire of the seas. Is the United States to have a stronger navy than any other country, or any other three or six countries, or whatever other number may at present be the ideal of the American Navy League, if there is one ? Or does he merely mean that the Americans are going to carry goods and passengers cheaper than other people care to do ? Whatever it may be, he goes on to tell us that it and such-like things "are not the work of dividend-hunting imbeciles, but of men who regard wealth as a convention, as a means to spacious material ends." What is a spacious end ? I rather gather that Mr. Wells regards the indiscriminate endowment of educational institutions as a spacious end. But might not the term also include the Jameson Raid ? The fact is, that so long as the rich are "dividend-hunting imbeciles"—that is, as long as they try to make money honestly, mind their own business, and do the necessary saving which the community requires for additions to its capital—they are very useful members of society. When they start seeking "spacious ends" they will very soon require to be put under restraint. The dividend-hunter is the slave of the community, always on the look-out to supply its wants in the way it wants them supplied ; the spacious-ender is a capricious tyrant, who will sacrifice the happiness of millions to satisfy a whim or a phrase.

Finally, I think Mr. Wells shows some lack of imagination in his cool talk about the want of squeamishness, as he calls it, which the men of his New Republic will display in facing and inflicting death. Let me provide him with a letter on this subject which might be written by one of the women of the New Republic to her brother :—

Eastmoult, April 15, 2002.

"DEAR HARRY,—Mother has been very tiresome lately, to herself and every one else, so I took your advice and broke it to her as gently

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as possible that we all thought (except Milly, who doesn't count, as her head has been turned with reading Victorian literature for the mediæval language school) that she had better celebrate her euthanasia on her 80th birthday. I am sorry to say she didn't take it at all well —said she could see very well, and wasn't a bit deaf or rheumatic ; and that she'd like to live another twenty years, even if she were blind and deaf and bedridden ; and that you and I were—well, I won't repeat her language. When a question of this kind has once been raised, it only leads to perpetual unpleasantness if it is not carried through ; so I went at once to your friend Professor Wilkins, and he and his assistant, Dr. Crockle, made no difficulty about giving the certificate that she is incapable of withholding assent to her euthanasia owing to senile decay. I have fixed the event for 3 p.m. on Saturday, as you will like to come down. You need not be afraid of a fiasco, for, in case she obstinately declines to take the anæsthetic, the undertaker will bring an expert in strangulation. This is cheaper than the electrical machine, and more trustworthy too. Mrs. Smith tried the machine on her Billy, who was certified an incurable imbecile the other day, but the shocks only amused him ; and they were actually reduced to going out with steps and things and attaching a wire to the apparatus of the rolling platform before they could get power enough to euthanase the child. Strangulation, of course, makes the face rather black, but I don't think that matters under the circumstances.

“Adieu, then, till Saturday. Lunch at 1.45.

“Your affectionate sister, CLARA STEEL.”

Miss Steel and her brother and Mrs. Smith are no doubt very sensible people, and there is much to be said for their course of action. But somehow I do not think I should care to meet them. The sentimental children who will do their best to make their parents happy to their natural end, and the infatuated mother who will spend the prime of her life trying to cultivate the little intellect of her idiot son, are pleasanter and happier than ever will be those scientific ghouls of Mr. Wells' New Republic, which is nothing more than the old ass known as barbarism dressed up in a lion's skin by a very ingenious taxidermist.

EDWIN CANNAN.

THE CONTROL OF TRUSTS. By JOHN BATES CLARK, Professor in Columbia University. [x., 88 pp. Crown 8vo. 2s. 6d. net. Macmillan. New York, 1901.]

Professor Clark starts from the position that the economic leadership of the world belongs to the country “which shall early get the benefits

and avoid the dangers" of trusts. Trusts have great power for good as well as for evil ; the problem is to preserve the one and reduce the other. Ineffective prohibitions, a policy of *laissez faire*, or the heroic remedy of State socialism, are insufficient for this purpose : the only remedy—and that a "natural" one—is the maintenance of effective competition, by which is meant "potential competition." The possibility of competition is the only effectual check upon the abuse of industrial corporations, and the economic future is to the country which succeeds in combining high centralization with effective competition. Trusts only become dangerous when they become monopolies, and a monopoly exists where potential competition does not : the policy of the future in relation to trusts is to welcome centralization but repress monopoly. But how is this to be done ? By disarming the trusts of the weapons by which they seek to "club" the independent producer—in other words, by making certain sinister practices illegal.

The predatory expedients of the trusts are—the favours exacted from railways, the local cutting of the prices of goods, the breaking of a scale of prices, and the type of boycotting termed the "factors' agreement." The railroad problem must first be solved, and fair treatment for all shippers must be secured. This can be done, according to Professor Clark, by removing the prohibition of pooling by the railroads themselves ; for it is just the attempt to preserve competition among railroads that has led to the policy of discriminating charges, while the toleration of pooling means the regulation of freight charges by the State. The other practices must be forbidden, and there must be a real force behind the prohibition. But statutes are not "the only reliance :" there is the common law which forbids monopoly, and the corporation begins to be a monopoly just at the point where competition of the potential kind is effectually crushed by the means employed for its destruction. "What is to be desired is a recognition of potential competition as a regulator, and of the means used to destroy its power, with a rigorous use of the legal force, wherever these means are employed. . . . What is needed is to make each one of the practices by which competitors are terrorized legal evidence of the existence of a monopolistic power, and to condemn, under the common law, any corporation that shall afford this evidence." It is the privilege of the people, adds the author, to hold the legislatures to this duty.

There is an engaging simplicity about this theory of potential competition—the potentiality, that is, of the independent producer ; as also in the picture that is given to us of a state of things in which

competition is maintained "in spite of inevitable consolidation." "Clear the decks for action," cries the professor; "remove all obstacles which stand in the way of a healthy rivalry of production —this has always been the sound rule, and obedience to it has always insured progress." We seem to have heard this before, and it is seldom that the native optimism of the economist deserts him in the hour of his need; but are the "clubbing" practices of the trusts the only obstacles to the effectual appearance of the rival producer? And what becomes of the overwhelming advantages of production on a large scale if, "wherever there is a trust, there is an independent producer also to be considered"? If the fear of the independent producer were the only check upon the power of the trusts, their position would be much too secure to be endured. It is true that monopolies establish themselves by "clubbing" independent producers; but, once they are established, it is not easy to believe that the producer who could maintain himself in "healthy rivalry" with the trust is as available on demand as the theory of potential competition assumes. The law might succeed in putting a stop to monopolistic methods, but I cannot believe that the resources of militant capital are so easily exhausted.

On the other hand, there is no doubt that potential competition has acted, and will continue to act, as a protective force; but whether the community has, or is likely to have, the "full benefit" of potential competition, is another matter. What, however, especially interests a student of this question is the relation of the tariff to the problem of monopoly. Professor Clark urges that the first thing is to solve the problem of monopoly by keeping competition alive: that this will ensure the co-operation of the trusts themselves in reforming the tariff; and this in turn will make the control of the trusts easier and more complete. He argues that an abolition of all duties on "trust-made" articles would affect the independent producer as well as the trust, and would be equally resisted by both. But destroy the monopolistic position of trusts, reduce their "unnatural" profits and prices, and they will no longer have any motive for fighting against the reduction of duties; on the contrary, they will be enlisted on the side of commercial reciprocity: for "the monopoly profits on the sales made at home will be definitely lost, and the foreign markets will then become of great importance." Thus it is that the pivot of the situation turns upon the possibility of the independent producer.

If Professor Clark's method of dealing with trusts is not altogether convincing, it is certainly worked out in a very ingenious and interesting way; while his criticism of early experiments and other plans for

the control of trusts is exceedingly pertinent and instructive. That he should be more convincing on "How not to deal with Trusts" than on how to deal with them, is perhaps inevitable. I could wish that he could have expanded some hints of what has happened by showing us, in detail and with precision, how competition has actually worked in reducing the power of "consolidation."

SIDNEY BALL.

L'UTILITÉ SOCIALE DE LA PROPRIÉTÉ INDIVIDUELLE.

Par ADOLPHE LANDRY. [511 pp. 8vo. 7 fr. 50 c. Paris, 1901.]

This book is written to prove the inevitable waste of wealth caused by the present system of private property ; it is not thus an economic treatise, but rather a series of arguments brought forward to support a particular view. The author does not profess to exhaust the subject, nor to define exactly how far this waste extends ; he merely seeks to prove that the present system necessarily involves material loss : yet, at the same time, he suggests certain principles upon which a new system should be based.

M. Landry's method is deductive, and his arguments are clear—many of them being also worked out by the aid of formulæ. He quotes and criticizes other authors (usually those who have written on the social side of economics), and illustrates his points by supposed examples, though not often actual ones. The work shows considerable power throughout ; the style is lucid, and the subject-matter well classified ; but readers may find the conclusions too absolute to be of direct value.

The first part of the book deals with production. Here the author maintains that the interests of the individual producer are not identical with those of the community at large. Thus he points out that the minority may find it advantageous to limit the production of wealth by means of monopolies, trusts, etc.,—thereby lessening general production and injuring the majority. Or again, capitalists waste wealth by the expenses of advertisement and of speculation, as well as by a desire for quick returns to their expenditure, which repay themselves, but which lessen the total production of the world.

That this can sometimes be the case would hardly be denied by economists, though the question is difficult to solve absolutely. It is often assumed (with the Ricardian school) that the general good is secured automatically by the working of each man's self-interest ; and this assumption is a useful one, as it simplifies economic problems. Later economists, however, are careful to point out that it is merely a convenient hypothesis, not to be taken as a universal truth. For it is

obvious that many causes may interfere with this perfect action of self-interest, such as ignorance, indifference, weakness, artificial regulation, and so forth. M. Landry goes further than this in seeking to prove, not only that the action of self-interest may often be opposed to the general welfare, but that it inevitably must be so ; and that this conflict of interests being essential, the only remedy is the substitution of some sort of collectivist system, in place of private property. For he does not consider the waste of wealth to be an error of judgment on the part of the individual, but rather a proof of the fact that the interests of capitalists *cannot* coincide with those of the community at large.

The next part of the book treats of the existing inequality of property, and here there is less abstract argument, but more distinct suggestion of social reform. It is shown that this inequality is not only bad morally, but has also bad economic results, since the luxuries of some tend to be satisfied before the necessities of others. Then follow some remarks on the problem of population, in which is included a somewhat extraordinary socialistic proposal by which to regulate its increase.

The author ends his work by further suggestions of reform on the lines already laid down by him. These suggestions differ in some respects from those of ordinary socialism, for he is careful to point out that Demand rather than Law should be made the measure of value ; and that, in granting a certain proportionate equality of property, the selfish instincts should still be made the incentive. He also suggests agencies other than State legislation for these regulations, though he does not attempt to show the exact methods to be pursued.

The book supplies material for thought, and is excellent in detail, though the main question is prejudged by the author. It does not contain much of directly practical value, but is chiefly useful in again emphasizing the important truth that social reform must rest on a firm economic basis.

It is to be noticed that the author presupposes throughout that the greater quantity of wealth produced, the better for the world. He does not discuss the possibility of non-economic considerations : for this reason alone, apart from any criticism of his arguments, the book cannot be absolutely convincing.

M. W. MIDDLETON.

THE POLITICAL ECONOMY OF HUMANISM. By HENRY Wood. [309 pp. Crown 8vo. \$1.25. Lee & Shepard. Boston, 1901.]

This book makes a bold bid for notice in its title, and the reader led to take it up will not be disappointed with the amount of subject-

matter treated in its contents. It consists of twenty-six short essays, each prefaced with a series of quotations from authors manifold, and dealing concisely with the whole field of social economies. Each department is rounded off in turn. It is a wide field, and the limited space given to each section will naturally suggest inadequate treatment. Nevertheless this need not be so. It is, of course, true that, for a scientific handbook presenting a branch of knowledge in its full proportions, it would be impossible to adopt the form which this book bears. But when the object is to treat a science humanly—that is, from a particular point of view, and it is this that the title of the book suggests as the author's aim—then, to take each branch of the science in turn, and treat it separately just so far as it is illuminated by the point of view from which the whole is written, would suggest itself as the most appropriate method. To present a subject in the form of essays, which are really essays and not treatises, is not in keeping with the modern discursive spirit; but it is all the more commendable when an attempt, such as this book represents, is made to do so.

To pass to the contents of the book: it must be confessed that the average reader—and the book "aims to be usefully suggestive to the popular mind"—is left on closing it with a very dissatisfied feeling. He has had strong meat with a vengeance. The book is a mine of *obiter dicta*; and this is no bad thing, if they do not follow too hard on one another's heels. But in this case it is not only that their number is legion; there is also a certain atmosphere of staleness about them. They seem to lack just the "human" element, which the book professes to provide. To feed the mind on a string of platitudes is as bad as dining off tough beef-steak; and a perusal of these essays certainly leaves the mental digestion disarranged and the mental hunger unappeased.

To take an instance of the method of treatment: "The law of competition viewed superficially has hard and repulsive aspects, . . . yet all competitive effort is not unmitigated selfishness: . . . a deeper interpretation will reveal utility and even beneficence, . . . and that it supplements co-operation. Competitive energy has evolved the whole fabric of civilization. . . . Competition is the best friend of the working man: the desire to excel in the labouring man is the great lever to lift him higher." This may all be very true, but surely is stale news. There is something anæmic and ghost-like about these sententious dogmas. They seem to have risen from their graves, and to be masquerading as living beings in twentieth-century dress.

This is unjust criticism of some passages in the book. There is

a good deal of really shrewd observation scattered gem-like here and there. The book hails from America, and instinctively reflects the spirit which governs the life of the industrial and commercial world in America—on its bad side, the spirit of outworn *laissez faire* individualism, on its good side, that of a strong and vital appreciation of the supreme importance of the individual character, and the resulting necessity of providing conditions of life which allow of its free development. From this point of view the abuses of labour combinations are in general terms clearly expressed. The essay on Industrial Education is extremely suggestive—particularly in its advocacy of manual training as a regular element in the school curriculum. The author deplores the false notion of degradation attached to the conception of manual toil, and urges a training in skilled labour as “stimulating care, exactitude, promptness, and even honesty.” It is “athletics made useful, and at the same time reasonable in their intensity.”

Again, the essay on Dependence and Poverty reflects with justice and truth on the tendency “directly to add to the numbers and degradation of the dependent classes, and to make their condition more hopeless and fixed in its character” which marks “the paternal governments of Europe.” On this side of the Atlantic, and particularly in England, there is undoubtedly far too much of the *panem et circenses* method in its administration of charity ; and the strong grasp which the Americans have on the idea of class helping class on a basis of mutual service and mutual self-respect is one which needs emphatic propagation in our own country.

But the method of the book is, in the main, not critical, but deductive ; and it is the false and unreal character of the first principle, which is traced out into its so-called manifestations, that robs the book of any living warmth and vitality. It professes that the root principle of life is obedience to natural law. Conformity to law is “the key to progress and approximate perfection in every department.” This is the Humanism of the title ; in fact, it was as “Political Economy and Natural Law” that the book originally appeared. Political economy is, then, simply natural law in the sphere of human conduct. It is an attempt to base political economy immediately upon ethics. The result is, first, that ethics becomes an exact science, prescribing certain fixed laws for the production of certain ends ; and on this assumption human life on its economic side appears as a skeleton theory, unskilfully built of dry and naked aphorisms. And the second result is an admission that, after all, this is not ethics, It is political economy applied to human conduct, not

as it really is, but "in the light of existing conditions." These determining conditions amount to the fact that "the predominant motive of social economy, on the present plane of human development, is self-interest." It is for human life on "this plane" that political economy is alone valid, and its laws will be "overcome by higher laws," when the "grand reign of unselfishness is ushered in." Thus we are confronted with the paradox that the truths of political economy will cease to be true—in the only sense in which they are true, i.e. applicable to human life—at a higher stage in the development of human character.

The author prints Natural Law with large initial letters ; he refers us to Webster for a definition. He advocates competition, labour combinations, the harmony of labour and capital as being in accordance with Natural Law. Charity itself is recommended—as being natural. Nay, "Natural Law is only another name for the methods of the Creator." All this, however, fails to clothe it with flesh and blood. The feeling will remain that Natural Law as thus applied is but a starveling idea. At the best it is a putting of the cart before the horse. It ignores the fact that man is a creature of motives, and although reflection may subsequently see principle and law in his action, law is certainly not the motive power of his doing. Man is not a reasoning machine, and the "nicely calculated less or more" has never been the true key of progress. "What make ye," we are tempted to cry with Herr Teufelsdröckh, "what make ye of your Christianities and Chivalries and Reformations and Marseillaise Hymns and Reigns of Terror ? Nay, has not perhaps the Motive grinder himself been in love ?"

Lastly, if "Natural Law is invariable," it cannot be broken ; and as applied to human conduct, it would seem that there is no choice of obedience and disobedience. Hence, as a guide for action for free men, it hardly succeeds in "turning the search for improvement in a promising direction." The root principle of the book is untrue to that very Humanism with which it is supposed to be identified.

P. A. MICKLEM.

LA SOCIOLOGIA. By ACHILLE LORIA. [192 pp. Crown 8vo. 2 lire. Dricker. Padova, 1901.]

IL CAPITALISMO E LA SCIENZA. By ACHILLE LORIA. [265 pp. Crown 8vo. 3.50 lire. Bocca. Torino, 1901.]

The first of these volumes contains a course of seven lectures delivered by request to students of all the faculties ; they are, therefore, necessarily popular and preliminary in character. In the first

lecture, Professor Loria expounds the modern conception of sociology, and defends its pretensions against a variety of critics. He then proceeds to illustrate the character and scope of "the new discipline" by a review of its most important schools—the "intellectual," the biological, and the economic, or the schools represented by Auguste Comte, Herbert Spencer, and Karl Marx. It is noticeable that the professor does not seem to recognize the "psychological" sociologists (such as Tarde and Giddings) as constituting an independent school, but affiliates them to Comte, who is, in fact, treated as the typical representative of "La sociologia a base psicologica," notwithstanding the fact—noticed by Professor Loria—that Comte expressly excluded psychology from his method. The fundamental error of Comte is found in what Professor Loria regards as his substantial thesis, viz. the dependence of social evolution upon intellectual evolution; but this is not sufficient to characterize the conception of sociology as a psychological science. The capital error of Herbert Spencer, again, is found in his fundamental thesis that sociology ought to be based on biology. A special lecture is devoted to the latest phase of biological sociology, such as is represented by Kidd's *Social Evolution*. The professor ceases to be critical when he arrives at the conception of "La sociologia a base economica"—a conception to which he would rather give the name of historical "economism" than that of historical "materialism." Professor Loria's version of "the economic interpretation of history"—which is bound up with his doctrine of *terra libera*—is stated with more caution and discretion than it is usually expressed either by himself or by other representatives of kindred views. The sixth lecture deals with the method of sociology, which is regarded as essentially a comparative method; the professor attaching special importance to the object-lessons afforded by the existence of colonies and the points of comparison with the development of the mother-country that they suggest. The lectures conclude with the application of sociological method to the institution of the family. The lectures, if somewhat sketchy and sweeping, seem admirably adapted for the purpose of introducing the uninitiated student to the imposing mysteries of "sociology," and I am not surprised to learn that they were "onorate del piu assiduo ed affollato concorso;" for the professor's fervour and enthusiasm could scarcely fail to be contagious.

In his *Capitalismo e la Scienza*, Professor Loria undertakes to defend the economic theory of "free land" associated with his name, against three classes of opponents—those who ignore the theory altogether, those who attenuate it with all kinds of limitations, and those who oppose it à l'outrance. Under the first head he reviews

the optimistic school (of which Böhm-Bawerk is the chosen representative), the theories of Marx, and the theories of George. In the second part he criticizes empirical methods of "Land Restoration ;" and in the third part he defends his theory of free land and the practical reform of "the territorial salary" based upon it—from the criticisms of friends and foes alike. The whole book is characterized by remarkable vivacity and not a little polemical skill, but it presupposes a knowledge of the more constructive writings of the author, such as the *Analisi della Proprietà Capitalistica*. Professor Loria's theories have attracted very little attention in England ; but in his own country, in Germany, in America, and, to a less degree, in France and Russia, the "economia Loriană" has excited a good deal of interest and controversy ; and as nothing in the way of economic literature seems to escape the professor, the present volume constitutes quite a considerable review of modern doctrine and discussion. Whether, however, the author has succeeded in establishing a firmer ground for his theory is a question which would take us a good deal beyond the limits of a review.

SIDNEY BALL.

RECENT OBJECT-LESSONS IN PENAL SCIENCE. By A. R. WHITEWAY, M.A., Barrister-at-Law. [216 pp. Crown 8vo. 3s. 6d. net. Sonnenschein. London, 1902.]

It is not at all easy to discover Mr. Whiteway's meaning. His intention is clear enough. He wishes to attack what he calls, not very appositely—"Pedantic Penology." Again and again he refers to this science, not without a fine scorn, as "Criminology," which, of course, is a very different matter. The volume, however, may be taken as a plea for a more scientific method of punishing criminals. He advances several main contentions, and from none of them will the social reformer be disposed to differ. He would reform the English court of first instance, and, indeed, the lay and unpaid magistracy of this country is the least creditable feature of our legal system ; he would compensate those against whom crimes are committed ; he would compensate the innocently accused ; he would improve the assize system by more frequent gaol deliveries, presided over by a kind of commissioner something less in importance than the judge of assize. But all this is apart from penal science. Mr. Whiteway's main contention is that prisons should be moral hospitals, somewhat on the lines of the famous Elmira experiment. In his curious, half-flippant way, the author makes out a good case for a method of treating criminals, which is usually regarded as the dream

of the sentimentalist rather than the suggestion of the scientist. Here is the pith of his proposal—

“The chances of moralization (in the proposed moral hospitals) are increased by the use of the indeterminate sentence, which practically leaves it within fairly wide limits in the hands of the capable manager to choose how long the prisoner is to be detained and the exact date at which he shall be liberated on parole. The mode of treatment at Elmira is to keep each inmate always either mentally or physically occupied, and never to leave him time to plan new schemes of crime. Among the actual means adopted are proper hygienic arrangements, including Turkish baths, massage, and a special dietary. The learning of a trade and careful moral and intellectual training, continually alternating with active physical exercise, complete the curriculum.”

Here is an outlined Elysium in the way of prisons. And yet Mr. Whiteway is no sentimentalist, for he believes in flogging, and in very serious flogging, and he would sternly repress fraudulent company promoting—a crime which excites his ire, justly, no doubt, but somewhat disproportionately, since his central standpoint is to regard all crime, more or less, as disease. If there is a disease kleptomania, is there not also a disease company-promotomania?

The fact is that we cannot reduce all punishment to a class. It is not solely repressive, nor solely retributive, nor solely preventive. Mr. Whiteway neglects the duty of society to itself in his effort to express society's duty to the individual criminal. It is easy to say we have developed a foolish idea of abstract justice and lost the utilitarian balance altogether. But, however we may argue, there does lurk somewhere the idea of an abstract justice—a rapacious idea which must be appeased. And punishment can never be a mere “curriculum” so long as human beings are—human. It is revengeful, for wrong-doing is doing a wrong, and the body corporate has a right to resent the wrong, not merely to forgive it and prevent its recurrence. For all that, in spite of a curious style which is very difficult to follow, and a method of humour which occasionally is difficult to defend, Mr. Whiteway has contributed some acute reflections and sharp criticisms on the present penal methods. In this respect the book is valuable, but it has sufficient matter in it to make a far more worthy treatise.

JOHN GARRETT LEIGH.

PROSPEROUS BRITISH INDIA. By WILLIAM DIGBY, C.I.E.
[xlvi., 661 pp. 8vo. 12s. 6d. Unwin. London, 1901.]

Mr. Digby claims to have found, by an analysis of a vast amount of statistical information collected from official sources, that the average

income of the India people in the year 1900 was less than $\frac{1}{4}d.$ per day. He contrasts this with an official estimate of this income made in 1882, which showed a result of $1\frac{1}{2}d.$ per head per day ; and also with a non-official estimate of $2d.$ per head per day made in 1850. No details are given as to this earliest estimate ; and it is impossible to say whether it was made by a competent authority or on a sound basis. The estimate of 1882 was framed by Earl Cromer (then Major Evelyn Baring) and Sir David Barbour, two men of high financial ability, and in a position to command all available aids.

According to the 1882 estimate, the total income of India stated in rupees was—

Agricultural Income	3500	millions
Non-Agricultural Income	1750	"
Total	5250	"

The population was then nearly 195 millions, and the resulting average income per head was 27 rupees per annum—the equivalent, at the then rate of exchange (12 rupees to the £), of £2 5s.

Mr. Digby's estimate is not quite so easy to state ; in his general summary, on p. 614, there are some very serious errors, one of which, involving a mistake of £12,000,000, has been acknowledged by him in a letter to the *Times*. But his corrected figures yield the following results in rupees :—

Agricultural Income	2625	millions
Non-Agricultural Income	1275	"
Total	3900	"

This sum, divided among a population of over 226 millions, yields an average annual income of less than 18 rupees—the equivalent, at the present rate of exchange (15 rupees to the £), of £1 4s., or less than $\frac{3}{4}d.$ per day. And even this estimate is swollen to the extent of some 320 millions of rupees by a mistake on p. 582, where the author has, by an oversight, multiplied 10 rupees—i.e. his estimate of the gross produce per acre in the North-Western Provinces and Oude—by the amount of the land revenue, instead of by the acreage. The table on p. 332 gives data for an approximate correction of the error, but the heading of this table itself must be first corrected, as the figures are really given in acres, and not, as the column heading states, in millions of acres.

Mr. Digby's estimate of non-agricultural income is stated above as

1275 millions of rupees ; but it is possible that this figure ought to be corrected to 1360 millions. On p. 541 he states this income at 1360 millions of rupees—equal, at 15 rupees to the £, to £85,000,000 ; the arithmetic is faulty, and the income is either overstated by 85 millions of rupees or understated by nearly £6,000,000.

It is difficult for a solitary worker dealing with masses of statistics to avoid occasional errors ; but the proportion of mistakes accidentally detected in a short examination of Mr. Digby's leading figures shakes confidence in the accuracy of his work. And yet it is on a belief in the author's statistical skill that an acceptance of his estimate of the non-agricultural income must primarily rest ; nor indeed could the data necessary for any satisfactory check of this estimate have been given in full without unduly swelling the already bulky volume. In order to frame his estimate of agricultural income, Mr. Digby in some provinces makes an estimate of the gross produce per acre, but more generally multiplies the amount of land revenue collected by a figure which he takes as representing the proportion between the gross produce and the assessment. It is quite certain that the Government of India will not accept Mr. Digby's figures, as appears from a very important State paper issued on January 16, 1902, in reply to certain other critics of the Indian land revenue system. Thus Mr. Digby asserts that in the Punjab the land revenue collected amounts to 15 per cent. of the gross produce : the Government asserts that in the bulk of the province it is 7 per cent., in one district $3\frac{1}{2}$ per cent., and only in one district as much as 10 per cent. In the Central Provinces the Government puts the incidence of the land revenue at less than 4 per cent. of the average produce. Mr. Digby's estimate is based on an assumed gross produce of 8 rupees, equal to 11s. 8d. per acre, and makes the land revenue about 7 per cent. of the produce. In the fertile countries known as the North Western Provinces and Oude, he uses an estimate of gross produce of 10 rupees, or 13s. 4d. per acre, though elsewhere he shows an expenditure on seed alone of two to three rupees per acre : and the resulting estimate would, but for the mistake mentioned above, have shown a land revenue of about 20 per cent. of the gross produce, as against the 8 per cent. which he mentions on p. 366 as approximately representing the ratio.

It would take too long to consider in detail the figures for all the other provinces, but enough has been said to show that the correctness of Mr. Digby's estimates is likely to be disputed. He states in his preface that his object is to bring to a definite issue a question in debate between two schools, one of which asserts that India is increasing in prosperity under English rule, while the other maintains that this

rule is bringing about a rapidly growing impoverishment of the country and people. And though his attack may fail to be convincing to the expert, it is sufficiently serious to call for a full reply.

F. C. CHANNING.

SHORT NOTICES.

LONDON STATISTICS, 1899 : Statistics printed by the London County Council during the Year 1899–1900. [cxiii, 884 pp. fol. 5s. King. Westminster, 1901.]

The bulkiest new items in this giant annual are an elaborate account of the port of London and its various authorities, which occupies the first 125 pages, and a description of all the wards of parishes in the county, which fills pages 162 to 222. Old friends reappear; we look anxiously to see if the Thames has yet been entirely sucked up by the London water companies, and find that the lowest gauging was on August 1, 1899, when the companies took 148,700,000 gallons, and only 50,400,000 were left to flow over Teddington Weir. There are, apparently, just over two thousand miles of streets repairable by local authorities, and the total expense of maintaining and cleansing them amounted to well over a million and a half.

The following passage from the introduction is interesting: “It is estimated that the rehousing obligation has added £500,000 to the net cost of street improvements carried out by the Council.” This is the measure of the waste involved, since the £500,000 does not go to the displaced persons or even to others of their class, but is consumed in devoting sites to an inappropriate use.

The number of children from three to thirteen years of age scheduled by the school board visitors seems to have reached its maximum in 1897, when it was 839,737. In 1898 it was only 833,008, and in 1899, 831,010. According to the census of 1901, there were 883,914 children between three and thirteen, so that there are about 53,000 above the school-board line.

BRITISH GOTHENBURG EXPERIMENTS. By JOSEPH ROWNTREE and ARTHUR SHERWELL. [176 pp. Crown 8vo. 2s. 6d. Hodder & Stoughton. London, 1901.]

Messrs. Rowntree and Sherwell continue their good services to the cause of temperance reform. They have now provided a clear and concise account of the various practical experiments on the Gothenburg

plan in England, Scotland, and Ireland, together with a sympathetic and critical discussion of the aims and methods of certain special organizations for this purpose, like the People's Refreshment House Association and the Public-house Trust Company.

They find fault with these semi-philanthropic enterprises for not proceeding in advance of the law (as has been done by the Scandinavian companies) in regard to such matters as reducing the hours of sale, raising the age limit for children, etc. And, with the definite aim of bringing about a substantial reduction in the normal expenditure on drink, they lay down five conditions for the success of this method of managing the liquor traffic. (1) The complete elimination of private profit. (2) To prevent public cupidity from taking the place of private cupidity, the appropriation of profits should be determined by statutory law. (3) A local monopoly of the retail licences, both "on" and "off," is essential. (4) Provision should be made "for the full liberation of the progressive sentiment in a locality." (5) The companies should be conducted as undertakings with a distinct temperance object in view, to which commercial considerations should be strictly subordinated.

The book thoroughly deserves a hearty welcome, and should be carefully studied by all who are concerned for the national welfare.

A COMING REVOLUTION. By CAPT. PETAVEL, R.E. [98 pp. Crown 8vo. 1s. Sonnenschein. London, 1901.]

The principal portion of Captain Petavel's scheme has reference to the thorny land question. He would decentralize the towns, somewhat after Mr. Howard's "Garden City" plan, but he would at once issue Government stock for the full value of the land, and the rent collected would form the interest upon this stock. The present landlords would be compensated by the issue to them of a certain amount of stock. All residues of interest would be spent in improvements, or would be held by the public for its own good. In time, therefore—and here he comes back to the very objection which he urges against his "single-tax" friends—the stock would be redeemable by the surplus of the rent over the interest paid.

POLITICAL LIFE IN AUSTRALIA.

IF, since the inception of representative government, none of the Australian colonies has shown Grecian originality in constitution-making, all have shown English orderliness in constitution-keeping, and more than English common sense in adapting constitutional forms to the changing spirit of the time. On the threshold of the twentieth century, each of the six states is found with its Governor and its two Houses, and the new Federal Constitution, though adding two further deliberative assemblies, and assuming to itself some of the functions hitherto discharged by the state parliaments, does not otherwise interfere with the already existing state constitutions.¹

The Lower House is, as is well known, elected in all the states on a popular franchise, women in South and in West Australia—as in New Zealand—being entitled to a vote. Payment of members is universal, £300 per annum, and free railway passes, being the highest rate of remuneration,² and £100 the lowest.³

The method of selecting the Upper House differs in the various states. In some the Legislative Councillors are the nominees of successive ministries,⁴ in others they are elected on a small property franchise.⁵ Victoria and Tasmania give a vote to all university graduates and professional men, irrespective of property. Payment is not given to members of the Upper

¹ Thus, if—as seems to be a logical outcome of the handing over of many important functions to the Federal legislature—the number of members of the state legislatures is reduced, the reduction can only be accomplished by act of the state legislatures themselves.

² Victoria, New South Wales, Queensland.

³ Tasmania, South Australia, and Western Australia give £200.

⁴ In New South Wales and Queensland.

⁵ In the other four States.

House, except in South Australia and Tasmania, which pay their Council and their Assembly members at the same rate.

The Legislative Councils have, in all the colonies, been as completely eclipsed in power by the Legislative Assemblies as has been the case with their prototype in England ; and the Councils' main claim to existence is the good work they have occasionally done in amending hastily drafted measures sent up from the Lower Houses. The "safety-valve of the constitution," *i.e.* the appointment of fresh members to bring a refractory Council into submission to the ministry, exists, as in England, in those of the states which have adopted the nominee system, and is not infrequently applied. Improvement of the Upper House by "mending or ending," is, as at home, a stock subject for debating societies ; but it would seem less in favour with practical politicians, who realize that there is no effective popular demand for such reform.

It is familiar matter of complaint that on the whole the men of culture and the men of wealth are conspicuously absent from Australian public life, and that patriotism, as exhibited in practical politics, has once more become the "last refuge of the scoundrel ;" and gibes at the venality and incompetence of the national legislators are part of the stock-in-trade of every music-hall and comic journal. The English Parliament is by no means above reproach in these days of angry recriminations and occasional free-fights ; but there is, it is pointed out, under normal circumstances a certain sense of decorum, a certain air of dignity and refinement, worthy of a House with its great traditions. Traditions and decorum, it is objected, are alike lacking in the colonial legislatures. The grossest personalities are repeatedly indulged in, and the most effective speaker is not the orator with the greatest command of logic and of eloquence, but with the readiest fund of humorous repartee—the coarser the better. Such often-heard criticisms contain truth, though not entirely true. Aristotle lays down that beauty requires "a certain size." Dignity certainly does. It is impossible to expect the same sense of responsibility and self-respect from a small colonial chamber of fifty or sixty members, representing

a few hundred thousand electors, as from the historic House of Commons, with its representation of millions, and the fortunes of an empire hanging on its counsels. The proverb which asserts no man to be a hero to his valet is not invalidated by the fact that this is a country in which the professional valet can scarcely be said to exist; for every politician constitutes himself every other politician's valet.

If a parliamentary leader has neglected to pay his washing-bill, or loses his temper to his cook, or forgets to go home one evening, it is not very long before he comes to hear of it in the House. In the vastness of London the private life of members, so long as they are free from any flagrant violation of established codes of morality, is not a matter of knowledge nor of interest to other members. In the relatively confined area of a colonial centre, no personal detail is too trivial to form the subject of an interjection calculated to spoil the effect of an oratorical period. The extent to which the speakers of the colonial parliaments allow such interjections and interruptions passes belief. It would scarcely be too much to say that three consecutive sentences rarely fall from a speaker's lips without these unmannerly—and often unmanly—punctuations. A stranger introduced into a colonial Assembly for the first time might almost be persuaded to believe that it was the chorus of members in their seats that were speaking, and that the member on his feet was only filling in the pauses of their remarks. It is obvious how such laxity must militate against the deliberative efficiency of the chamber that allows it. And yet the colonial assemblies have done good work. They have been the first to inaugurate working schemes for old age pensions; they have put more than one excellent Early Closing Act on the statute-book. After all, the conversational method must have its advantages. If it is dangerous to logical coherence, it is fatal to bombast and rhodomontade; and the average speed in a colonial chamber, if less eloquent and erudite, is briefer and more business-like than the speeches of the House of Commons.

As to the alleged venality of colonial legislatures, it is not safe to attach implicit credence to the exaggerations of the

comic papers, or to the *ex parte* statements of conservative citizens who profess to have washed their hands of politics as of an unclean thing. The admitted presence of men of sterling honesty and of tried ability in all the colonial parliaments—in however small a minority—is a sufficient guarantee that no disgraceful "job" shall be perpetrated without the public being duly informed. The chief ground for the too frequently parroted charges of venality is in the existence of the "roads-and-bridges member," the man who obtains his position by promises of local improvements, and whose main efforts in the House are directed towards securing, by "lobbying" and other methods, the redemption of a sufficient percentage of such promises to induce his constituents to "try their luck" with him again at the next election.

If this be venality, it is venality in a comparatively innocent, and in a transient, form. In a country like Australia, of vast geographical extent and unlimited possibilities, it is only natural that each locality should think that it is merely the carrying out of one or two necessary public works that is wanted to make that locality at once the richest and the most creditable portion of the continent. Nor is it less natural that the electors should choose to represent them a man who shares their views in this respect, and is prepared to put them to the test. Although individual "jobs" may be compassed, here and there a bridge built where no considerable public need exists, here and there a railway made with no immediate prospect of public reimbursement, on the whole the claims of conflicting localities secure at least a rough approximation to the fair treatment of all. Moreover, as the railway system becomes more and more complete, as the all too few rivers become adequately bridged, the "roads-and-bridges member" will gradually find, like Othello, his occupation gone.

The defects of the Australian parliaments are usually attributed, by the more conservative type of colonists, to the institution of payment of members. It would seem, however, that they are more rightly attributable to their inadequate payment. It is sincerely to be regretted that none of the colonies has tried

the experiment of entrusting the government to fifteen men at £1000 a year, rather than to fifty or sixty at £300. For the plain fact is that in a new country, where no indirect advantage of prestige attaches to a seat in the national councils, if you want men of first-rate ability you will have to pay them accordingly. Public spirit and personal vanity will no doubt often send men into the parliamentary arena who are financially independent. But such must be a small minority. In the main, the "amateur" politician, a decreasing factor in the English parliament, scarcely exists in the colonial assemblies. If, then, it is on the professional politician that the colonies are to rely (and the profession of politics is at least as worthy a calling as any other), his average ability will depend upon the relative rates of remuneration of politics and of other professions. Now, there can be little doubt that, with the exception of teaching, the profession of politics offers a smaller pecuniary reward in proportion to the work required than any other of the professions. Can we expect a man of first-rate ability and not more than ordinary altruistic instincts to content himself with £300 a year and the uncertain prospect of ultimate office, when he knows that by applying himself to mercantile pursuits, to medicine, or to the bar, he may reasonably expect at any rate ten times that income?

Democracy all over the world is gradually finding out that, if it wants able service, it must pay for it at fair rates. It was natural at first that constituencies mainly consisting of men to whom £300 a year would be affluence, should consider that such a sum would be ample to pay their legislators. But such a sum is only a prize to the artisan classes; thus it is only they who send a fair proportion of their ablest men to parliament. A doctor, a merchant, or a barrister must have proved an egregious failure in minding his own business before he will be content with £300 a year for minding other people's. Australian democracies have already reconciled themselves to paying good salaries to their town clerks, commissioners for railways, and even university professors. It is only one step further to give adequate remuneration to their legislators. Surely Australians

of the future will blush to think how ill their country has requited those who have served her best. The successful publican, the fashionable doctor, the wholesale importer, the retail merchant, the leading barrister—these surely have not done more for their country than a statesman like Sir Henry Parkes. Yet on these the State has showered fortunes and honours; to them it throws open the doors of Government House; while poor Sir Henry is flung a careless crust, and lectured on the virtues of economy.

Not the least of the benefits hoped for from federation is the gradual attraction into public life of the most competent men in the state. The salary offered is indeed not much higher than that attached to membership of the state Assemblies.¹ But it was anticipated that the larger field of action, the greater responsibilities and opportunities, would attract into the Federal Parliament men who would not have been willing to make any such personal sacrifice for a seat in a state chamber. Such anticipations were not altogether realized at the first Federal elections. The candidates for the Federal Parliament were, with a few exceptions, drawn from members or ex-members of the state Assemblies. And the majority of the exceptions were hopeless nonentities. But there were a handful of able men who had identified themselves with the Federal movement, but had played no part in state politics; these and the better of the ex-state politicians should suffice to give the first Federal Parliament a nucleus of ability and self-respect which will do something to raise at once the tone of political life and the status of the politician.²

It is difficult for an English student of colonial institutions to rid himself of English methods of thought and expression.

¹ The rate of pay is £400 a year for members of each House, and free railway passes.

² The personnel of the first Federal Parliament is as follows: 25 out of the 36 senators are ex-members of the state parliaments, and 57 out of 75 representatives. Of the senators 12 are lawyers, 8 labour men, the rest merchants, journalists, etc.; one a market-gardener, another a publican. Of the representatives 14 are lawyers, 10 labour men, 1 doctor, 1 clergyman, and 11 are content to acknowledge politics as their calling.

Thus the author of an interesting article on recent New Zealand legislation¹ cannot free himself from the English terms of "Liberal" and "Conservative." There is nothing approaching a Conservative party in any of the colonies. In most of the states the party division has hitherto been into Free-traders and Protectionists, and these will be the main party lines in, at any rate, the first few Federal Parliaments. But the question is complicated by the adherence of several Free-traders to the Protectionist leader, and by the necessity, in accordance with the Constitution's financial clauses, of raising a considerable tariff. Thus Free-trade *v.* Protection was made the main battle-cry of the election of a parliament which was by nature of the case precluded from securing either. Still more anomalous is the position of parties in the state parliaments. The whole matter of the fiscal policy of Australia has been entirely removed from their sphere to that of the Federal Houses. And yet Mr. Lee's suggestion of a coalition ministry in New South Wales was angrily rejected; and it was decided that the party division into Free-traders and Protectionists should be kept up in spite of the fact that the state parliament has now no more to do with either than it has with the man in the moon. Mr. Wise, the State Attorney-General, has expressed his conviction that the Australian public is too shrewd to put their money on a horse that is scratched. But the difficulty is that if Free-trade *v.* Protection be abolished, there is no other available political division. But some division is essential to party government. It will be most interesting to watch whether the fiscal ghost will still haunt the state chamber, or whether an attempt will be made towards the gradual abolition of government by the party system.

Although the name is not in favour, conservatism is, as is natural with an Anglo-Saxon people, strong throughout Australia. Indeed, nothing is more striking in Australian history than the extremely conservative spirit in which the colonies have undertaken all their reforms. Socialism is, perhaps, next to conservatism, the strongest characteristic of recent

¹ Mr. Trevelyan in the *New Liberal Review*, March, 1901.

Australian legislation ; but the name Socialist is not in favour, and, as a party, the Socialists have always taken a rank unworthy of serious attention. What we may perhaps call a conservative Socialism is, then, the creed, or at least the programme, of both parties in the colonial parliaments ;¹ but both parties hide alike their creed's conservatism and its socialism under the pleasing and almost meaningless title of "Liberalism," a "blessed word" suggesting to the average elector liberty to do as he likes with liberal supplies of government money.

It is objected that the leaders of political parties are not invariably in full sympathy with the reforms they advocate ; that when the public opinion of the colony clearly proclaims itself in favour of some new measure, the one party vies with the other in promising to secure its enactment. But however reprehensible it may be that politicians should, here as elsewhere, trim their sails *arbitrio popularis auræ*, yet it must be admitted that with so sane a body of electors, opportunism, unless to the statesman's own conscience, does the minimum of harm. Never was a populace less emotional, less extreme, more amenable to argument.

It is not pretended that Australian electors are of abnormal intelligence. The fact that no less than 21 per cent. of those who voted for the Federal Senate in New South Wales recorded informal votes, seems decisive on this point.² Only they are both shrewd in seeing their own interests, and moderate in their measures to secure them, good-humoured in victory and good-humoured in defeat.

Australians have recently been censured as too ready to yield to press guidance ; and the temptation to have one's political thinking done for one at a penny a day does, no doubt, prove

¹ "Socialism," in that it extends the functions of government indefinitely, so long as good seems likely to accrue ; "conservative," in that it proceeds tentatively in such extension, respecting "vested interests." The Australian democracy advances ; but it advances backwards, to disguise from the timid the fact that it does advance.

² The intelligence of the authorities—who required, there being fifty candidates, that the names of the forty-four not voted for should be crossed out, rather than that the names of the six voted for should be marked—was even more conspicuous by its absence.

irresistible to many in Australia as in older countries. But the main argument adduced in support of this criticism, as applied to Australians—that in New South Wales, where both the metropolitan dailies took the same side, the public largely obeyed their instructions, electing five out of the six advocated by them for the Senate—must be balanced by the consideration (1) that in Victoria, where the leading dailies took opposite sides, the voting was almost as one-sided as in New South Wales, only in the opposite direction; (2) that New South Wales was at the time very prosperous; and (3) that the electors had long been assured and were almost convinced that their prosperity was entirely due to Free-trade, and that they accordingly were determined to vote for the Free-trade candidates who had the best chance of election. Such were clearly those supported by the central free-trade organization, and, as such, advocated by the free-trade journals. The five Free-trade senators elected were, in fact, elected as free-traders, not as nominees of the Sydney press.

The number of electors who do not trouble to record their votes must be taken as proof that the 'Ιδιώτης—the total abstainer from public spirit—exists even in these favoured communities. Even those who vote are often apathetic; there is, as a rule, little enthusiasm about an Australian election. Possibly it is the very fact of general prosperity that has conduced to political apathy. The oppressed "masses" of a European state are driven to political activity by their wrongs. But in Australia there are no oppressed masses. Much, indeed, yet remains to do before all are afforded approximately equal opportunities of a useful and happy existence. But the conditions of life are already sufficiently pleasant to the majority, and there is no wide-spread discontent to rouse to political action. The working classes are only gradually waking to a sense of their power in politics. For some time they preferred the method of "collective bargaining" to that of "legal enactment," and looked solely to their trade unions for the amelioration of labour conditions. They are now beginning to realize the immense political force given them by manhood suffrage, if

they care to use it. The process is, however, slow and impeded by dissensions among themselves. The number of Labour members is by no means proportionate to that of labour electors, who frequently prefer candidates outside their own class, knowing from experience how soon the Labour member, when elected, tends to assimilate himself to ordinary representatives. Still in some parts of Australia proper organization has already done great things for the Labour party, their most notable recent achievement being the winning in Queensland of four seats in the Federal Senate out of six; while in others it is easy to see that the necessity of a strong Labour party is not felt, so long as the existing political parties vie with each other in the passing of labour legislation. Of the middle class many thousands are content to mind their own affairs, with no great opinion of the politicians of either side, but with the good easy conviction that neither side is likely to interfere materially with their own private prosperity. Such apathy is particularly common among men of means. There is among them a tendency to an exaggerated contempt for public life, and an inadequate perception of the fact that if, as they say, their representatives are unworthy, the fault is in large measure their own, and the remedy is still, in large measure, in their own hands. Theoretically, no doubt, one man has only one vote; practically, however, money, education, ability, must always count for much; and the men who abstain from politics could, if they chose, exercise a marked effect for good on the history of their country. If they continue to abstain, in the face of facts that prove the truth of this assertion, their abstinence will be ascribed less to the diffidence of culture than to the selfishness of prosperity. Their Achillean attitude was originally perhaps prompted by the half-formed idea: "You have deprived us of our exclusive political privileges; you have given Tom, Dick, and Harry equal rights with ourselves; you have put them in our places in parliament by the infamous device of the payment of members. Very well; go on. See what grief you will come to. And then return to offer us once more the reins of government. And then, well then, perhaps, we will do more than send

Patroclus." But if they wait for this supplication, they will wait long. The country has not come to grief, despite their anticipations. They will therefore be forced either to remain in the tent, or serve the democracy, as some of the best of them are content to do, on its own terms. As this fact is grasped, there is likely to be less and less "idiotism" year by year, and Federation will undoubtedly accentuate a wholesome tendency; for however excusable it may be to have taken inadequate interest in the accounts, the bickerings, and tariff reprisals of petty states, what excuse can be found for the Australian whose heart is not with the deliberations of the first national parliament of Australia?

PERCY F. ROWLAND.

WORKSHOP ORGANIZATION.

THE importance of this subject can hardly be over-estimated. If England is to maintain and promote the industrial prosperity and productive capacity which have brought about her supremacy in the markets of the world, two things are absolutely essential. First, sound, up-to-date, and systematic elementary education in our board schools; and secondly, what is equally necessary, the thorough organization of her workshops, her methods, and her workmen, in the most efficient way possible. No doubt both of these questions are now main topics of discussion, but their importance has by no means received sufficient recognition and attention on the part of those directly concerned. It is not fully realized that it is just because such countries as America, and, in later years, also Germany, have taken fullest advantage of the continuous progress of modern science, technical training, and of education in all its branches, that they have now succeeded in securing their position as our competitors on at least equal terms in many respects. Costly factories of the most modern description, filled with the latest machinery and special tools, and, above all, scientific system in the process of manufacture, have resulted in shorter hours, higher wages, a better social standing for the working classes, and last, but not least, a better and cheaper production. When such results have been obtained abroad, why do not more British manufacturers follow the splendid lead already given by several wideawake firms in England, and put their houses in order everywhere ?

No doubt, trade unionism and some of its principles, especially as applied in actual practice, have tended to make the outlook of the British manufacturer very gloomy indeed, and given him little encouragement to adopt new machinery and modern

methods of organization. Blindsighted by short-sighted principles, the British trade unionist, who otherwise prides himself on his patriotism and sincere love for his country, has done his level best to resist and condemn the proper use of labour-saving tools, appliances, and new methods, greatly endangering thereby the supremacy of his country as a productive nation. But why so? Are not some of the circumstances surrounding the working classes greatly to blame for this, and is not the average employer also partly responsible? Let us be frank, and recognize fully that to ensure industrial success we must remedy faults on both sides.

It is true that the employer receives a youth or boy as soon as he has passed a recognized standard in our board schools for the purpose of teaching him a trade. But how difficult it proves to make a real serviceable workman of him—one who knows his trade, and will not be hampered by the old-fashioned gang of men at so much per hour and no more, only those know, and unfortunately too well, who are daily handling the average apprentice, and taking a personal interest in his future welfare. The splendid technical schools which have sprung up within the last ten years are excellent proof that better education has been found very necessary; and every employer, without exception, should take the fullest advantage of these schools, and compel every one of his apprentices to attend. More than that, he should keep in constant touch with the principals or teachers of such schools, and pay close attention to the regular reports on the progress made by the scholars. If only the masters of our board schools could be convinced that it is a great, and almost criminal, error to impress our childhood with the idea that, because this country holds the supremacy of the world, everything foreign must be inferior, wonderful improvements in the character and habits of the rising generation of working men would soon take place. The present difficulties in both technical schools and workshops would be reduced to a minimum, and we should reap an advantage well worth the admittance of this error. In fact, the British worker who has parted with his self-conceit, travelled abroad and studied and adopted certain

new methods of the foreigner, has shown himself the very worthiest of men, able to obtain and hold the highest position in the most progressive industrial concerns. The old moral that the "wise man proves his science by knowing what he does not yet know" may well be accepted as a wholesome lesson.

But now let us consider the workshop—for instance, a general engineering workshop, where a variety of articles in one particular line are manufactured, partly for stock and partly to customers' orders. While the simplest and clearest means should be adopted for conveying orders and instructions in connexion with the manufacture of goods, many manufacturers have yet to be enlightened on this subject. Heaps of books, ledgers, and folios of every description are still thought necessary in most places, and help to increase the general confusion; while in America the simple card system has been generally adopted with undoubted success. I will not refer in detail to such systems, as it would probably interfere with the intention of this paper, and make it too technical.

In the first place, then, I will deal with the organization of work and its remuneration; and in the second place, with the most essential factor, the working man himself. The question of payment of the men for work done is naturally the most important. There are two methods, namely, time-wages and piece-wages. Although much has been written during the last two years in nearly all the leading engineering journals about the eminent advantages of the intensified or differential-rate system of paying wages, as compared with ordinary methods of piece-work, or with premium systems and gain-sharing, I have not heard of any factory which has adopted this plan. It is quite certain, however, that fixing rates by scientific methods, and securing maximum outputs for men and machines, are the foundation of economical and successful production. Ordinary piece-work, whilst superior to the day-work plan, and having been successful in its way, cannot claim to have made any progress towards the achievement of the two objects just mentioned. How much a workman can do in a certain time, and what he

actually produces, represent two very different figures in more than one instance. This, however, is due nearly always to the lack of proper recognition and reward for the workman's capacity as a particular individual. For the most part we merely recognize him by the position which he holds, and regulate the scale of wages accordingly, thereby offering him every inducement to accept the erroneous principles of trade unionism, which tend to place the highly skilled man on the same level of pay as those of less intelligence and ability, simply because they occupy the same position.

To illustrate the great influence which a guarantee of higher pay for a maximum output has upon the workman, I would refer to the case of one of our own men some months back. For turning a certain number of articles this man received 1s. each under the old piece-work system, and although handling the same work periodically for the last two years, he never made it pay; but after introducing the differential-rate system, which came into operation on the 1st of January this year, a careful investigation was made into this particular piece of work, and we found it could be made in fifty minutes. This we demonstrated to the man on his machine with his own tools, and then fixed the price for twenty-four pieces at 10d. each, providing that he finished them within twenty hours. This he easily succeeded in doing, and has done it ever since. The man's day-work rate as a capstan hand was 7d. per hour, and therefore the extra encouragement offered by the above rate was really considerable. The institution of this new system, although fully explained to all the men by means of circulars, was not received in a very friendly fashion, and a good deal of opposition was shown at first. But, by proper and careful revision in fixing prices by means of feeds and speeds, corresponding with the capacity of a machine, the amount of resistance, and the quality of the most suitable cutting tools; by making due allowance for the time occupied in fixing jobs; and, finally, by the plain evidence of the balance bills of those who were successful with the first rate, confidence was soon restored to many of those who had looked askance at the new system.

should be ready and willing to seize every opportunity to turn brass, iron, and steel. The boy who begins his elementary training by turning, say, a plain stud on an ordinary lathe would hardly produce equal results in point of finish and time with a boy who has been taught to do such simple work on a capstan in the first instance, and has then been given the opportunity of turning an odd stud on an ordinary lathe.

The same considerations apply with equal force to an apprentice in the fitting department. A lad who has been taught to lend a hand during his term to the milling, planing, and drilling machine or shaper, and has become acquainted with pneumatic tools and grinding machines, will certainly handle his file with better advantage, knowing when to avoid unnecessary work, and will treat the various machine parts which finally come to him with greater care and skill than the fellow who made himself conversant only with the vice, bench, file, and chisel.

Thus, by compelling apprentices to work on strictly modern lines of production, the successful organization of any practical workshop can be assured, and the resistance of those journeymen who are still under the influence of narrow and selfish trade union principles will gradually and surely disappear.

Further, just as an intricate and expensive machine needs the best of oil and regular attention, so the working man rightly requires the best of tools and conveniences. Well lighted and thoroughly ventilated workshops, provided with every necessary sanitary equipment to ensure the utmost cleanliness, have never failed to influence the working man and to increase his productive power. This is best illustrated in our modern exhibitions, where all sorts of high-class machinery and products are shown. Nine cases out of ten prove the fact that the best of machines, the most carefully finished and practical tools, and often also the most reasonable in price, have been made by men who are employed in workshops where scientific organization has done everything for their health and general comfort. The proprietors of such up-to-date concerns are, as a rule, not in the habit of posing as philanthropists, but have acted strictly on

business lines, knowing that, to build up a modern and profitable manufacturing business, it is absolutely necessary to consider the welfare and convenience of their workmen. In fact, this successful method of organization has not only shown an increased output, and more accurate workmanship; it has also brought about better relations between employer and employee, to their mutual advantage and satisfaction—which is an achievement sufficiently important to serve as the highest ambition for every progressive engineer or manager. As the workman improves his education, and acquires more aptitude for modern methods of production, he will more and more appreciate the value of clean and sanitary arrangements, and will preferably seek employment in workshops where such conveniences can be found.

Again, mutual benefit is sure to follow from offering full scope for the exercise of a workman's experience, knowledge, and ambition. Every means and opportunity should be open to him for stating any suggestion he may have for improving upon the design or production of the various articles handled in the works. I think that suggestion boxes, as supplied in several up-to-date concerns, answer the purpose very well. Such a box secures secrecy, and wins the confidence of a man who would otherwise shrink from making his suggestion public. It should be opened once every month by the manager personally, and prizes should be awarded for the best suggestions, in order to stimulate the ingenuity of the men.

It is also of great importance for the success of an establishment to maintain the most trustworthy and strict business-like relations between the foremen of the various manufacturing departments. Besides receiving the regular reports of the different departmental foremen as to the progress of the particular work in hand, the works manager should also confer with all his foremen, chief draughtsman, and storekeeper at a periodical conference, either weekly or monthly, according to the nature of the business. During such meetings, the works manager should preside, and all matters relating to any important work in hand—its present state, future progress,

promises as to delivery, or remarks with reference to the quality of the work already done in the various departments—should be fully gone into. A report about a bad casting, for instance, made in the presence of the foundry foreman would receive better consideration, and would be dealt with more justly and carefully, than if merely mentioned through the ordinary individual report from a department to the manager. Such conferences also serve the purpose of ventilating any complaints, or of receiving suggestions for improvements in regard to the output or quality of the manufactured goods. Some independent person, *e.g.* the secretary of a limited company, should be present at all these meetings, and should take shorthand notes of everything under discussion. He should prepare copies of the proceedings, to be given to the managing director and the works manager. Such a report would be a useful guide for the next conference, and would also contain a permanent record of all suggestions for improvement that had been offered, and ensure due credit being given in the proper quarters.

Nothing will more endanger successful production than jealousy or friction between the various authorities responsible for the output of a concern. Whenever any signs of such undesirable relations appear, the manager should sternly insist upon having all differences settled at a joint conference, and absolutely refuse to offer any other opportunity. When once the conference has been adopted and recognized as an established institution, a sense of justice and fair play, along with the feeling of a common responsibility for the welfare of the firm, will result, and every one concerned will be assured of a free and full hearing. Under these circumstances, the head of a firm could safely trust complete authority and power to his manager, and might thus avoid the unpleasantness which is often caused through the habit of some employers in accepting too many reports and opinions, which only increase the difficulties of maintaining the proper control of a workshop.

In conclusion, generous principles and modern conveniences for the employees should be accompanied with strict business-like supervision over labour, and insistence upon its proper

efficiency. Such rules should not only be adhered to inside the workshop, but also outside its direct sphere of influence. For example, it would be well for the general prosperity of an engineering district if all the employers would zealously stand by and enforce every point decided upon between them for their mutual interest. Indeed, I consider this question of extreme importance with regard to a more general adoption of modern methods of organization, by which all the productive forces might be raised to their highest efficiency, and I hope that some of the readers or contributors of this *Review* will state their views on this matter in a future publication.

A. P. LOSCHER.

THE POOR LAW AND THE ECONOMIC ORDER.¹

IN modern usage, the term "poor law" has come to mean a law for the relief of the poor; but the earliest legislation relating to the poor is not legislation for their relief. Anterior to anything which in modern parlance can be called a poor law, we have to take account of centuries, some of them prehistoric, others only dimly historic, in which primitive custom assigned, not only to the poor man, but to all men a definite place in the social organism. To take a late phrase of this customary organization of life, the feudal system itself included a scheme for the regulation of the poor on a definite territorial basis. The earliest enactments concerning the poor were directed to upholding this conception of life and to keeping the poor, and indeed every other class of the community, at the place and in the duties appointed for them. The earliest suggestion for the relief of the poor is that, when they could no longer labour at the place of their servitude or settlement, they might be given a licence to beg there, or that they might be supported by the alms of the community. This adscription of the labourer to the soil was thus a self-sufficing system. In prescribing to each man his service, it implicitly gave him some guarantee of maintenance. The recognition of an obligation to relieve in a systematic fashion is of much later origin. It is the conception of a society which has made considerable progress in wealth and civilization, and in itself it is a mark of an advance in moral sentiment.

In the differentiation of function characteristic of more complicated forms of life, this newly acknowledged duty of relief was tacitly confided to the Church. It was the ecclesiastical and not the civil government, the parish and not the

¹A paper read at the meeting of the British Association at Glasgow, 1901.

manor, which became charged with the duty of administering the alms of the community. Thus, during the earlier legislation concerning the poor there was a double line of policy: the first was directed to the maintenance of a semi-servile system of territorial adscription, the second to the organization of a system of public relief. The first line of policy, the enforcement of the old servile constitution of society, in time grew weaker. The regulation and jurisdiction of the manorial and other feudal courts, when not abolished by definite acts of legislation, may be said to have evaporated in face of the economic influences of new industrial conditions. The second line of policy, the humaner development of the old territorial system, the obligation to relieve, though originally derived and secondary in importance, has proved the most long-lived. While the manorial system has disappeared, we still have our parochial system of pauperism.

It is important to note this origin of the guaranteed maintenance which the law gives to destitution. It lends, I venture to hope, a certain economic and historical interest to the question. Manorial status or servitude, with its plausible advantages and its communal tenure of property, has disappeared. Are we not justified in expecting the dissolution of parochial servitude, with its plausible benevolence, and its communal property of the pauper in the poor rate? Is not this an emancipation which might be expected to follow as a result of those modern forces which, for want of a better term, I venture to term the new economic order?

But first let me say a word in justification of the term "parochial servitude." So long as the funds devoted to the relief of the poor were derived from voluntary sources, there was no need to define, with great nicety, the liability of each particular district. Even, for a considerable time after the enactment of the 43 Eliz. ch. 2, no great inconvenience seems to have arisen on the question of settlement. The Act of Elizabeth was, to a large extent, a codification of existing practice; and it is noteworthy that explicitly it says nothing about settlements. It is obvious to us to-day that when the compulsory system of

assessment for the poor, as introduced by that Act, became generally enforced, the question of settlement was bound to become pressing. The framers of the Act of Elizabeth evidently regarded society as stationary, and foresaw no inconvenience as likely to arise from the movements of population in answer to the industrial needs of the future. Sixty years later, the legislature was forced to deal with the question of settlement—that is, the liability of districts for the relief of a population that was ceasing to be stationary, and was becoming mobile in response to the changing industrial conditions of the time.

It is the fashion to say that this Settlement Act—i.e. the 14 Charles II., ch. 12, 1662, an Act of which the express object was to restrain the poor from settling where there is “the best stock”—was a particularly ill-conceived measure. That may be so, but it is important to note how it is a logical consequence of the parochial basis which lies at the root of the Act of Elizabeth. The Act of Charles II., in its desire to arbitrate equitably between different parishes, gave a definition of settlement and legalized the practice of removal. Both of these are ideas which are essential features in the old territorial system of adscription. The labourer, it is true, was no longer haled back to the place of his servitude, but he was driven out of parishes to which he migrated in the hope of finding work, and taken back to places where he had no employment, not because he was chargeable to the poor rate, but because some one else feared, or professed to fear, that he might become so chargeable in the parish of his new home. Thus, after sixty years of the Elizabethan poor law, the legislature found it necessary to revert to a plainly servile principle of organization. The situation created was, of course, an intolerable tyranny, and the law at once began to recognize and devise many methods of evasion, but this liability to removal remained unrepealed till the year 1795, when an Act was passed “to prevent the removal of poor persons until they shall have become actually chargeable.”

At its repeal, a strange thing became apparent. The population was now free to migrate as it pleased, but to a large extent that mobility which it had once been thought desirable

to curb by legislation had, in many cases, disappeared. When some forty years later the new poor law of 1834 had to be put into operation, the main difficulty to be overcome was the intense immobility of the poorer population. It was a commonplace of the time that population was redundant, that the country was afflicted with surplus labour; and the cry of over-population caused a very lively terror in many quarters. The truth, however, was that the congestion had been brought about by converting some fifteen thousand parishes throughout England into prisons for the labouring populations. For forty years, it is true, there had been no express prohibition of migration, and indeed there is evidence that even in earlier times the removal Acts could be evaded; the immobility was due, therefore, to some other cause.

That other cause it is not difficult to name. The reports of the assistant commissioners bring out most clearly the fact that what chained the population to their parishes and to ineffectual methods of industry was not express enactment, but the guarantee of support held out to those who remained stationary and immobile in mind and in body, looking to the parish to find them employment and maintenance. No link in the chain of proof seems to be wanting. The early reports of the Poor Law Commissioners after 1834 are full of accounts of the difficulties experienced by the assistant commissioners in getting labourers to move out of their parishes to take work provided for them elsewhere; and also of the deterioration of labour which, under the influence of the old poor law, had become, not only unemployed, but unemployable. It was the business of the assistant commissioners to introduce a new law, which suddenly deprived the ablebodied population of all right to relief except in a workhouse. This, as was anticipated, was a condition unacceptable to the labourer. Deprived, to that extent, of the guarantee of maintenance which was formerly his, he at once set himself to assume his proper responsibility, and, though occasionally he underwent much unmerited suffering, in the main he has proved equal to the new situation.

I do not intend to go into any detail as to methods of poor-law administration ; it is sufficient to remark that some boards of guardians, carrying out to their logical consequences the principles of this Act of 1834, have by a great restriction of outdoor relief thrown a still larger responsibility on the able-bodied man, urging him, by an appeal to his dislike of relief in a workhouse, to provide not only for his ablebodied period of life, but for sickness, for old age, and for those dependent on him.

I omit discussion of the merit and success of these experiments. Time does not allow, and it does not matter, because my observation is (and I have listened to a great deal of debate on the subject) that men form their judgment, not on the facts, but on the theory and sentiment of the subject.

If I am right in regarding pauperism as an archaic survival, a retention, by very insidious methods, of a portion of our population in a condition of primitive poverty, I have gone a long way towards persuading myself that there is reasonable hope for a complete emancipation of the poor from pauperism, and that there is ample justification for a restrictive policy of administration. On the other hand, if the theoretical presentation of the subject, here very imperfectly suggested, does not convince, if a blind sentiment prevails, if the permanence of pauperism is assumed, and if the administrator does not admit that he is under obligation to dispauperize as well as relieve, then of course the policy of restriction is abhorrent.

For myself, I really believe that the indifference which unfortunately exists in the mind of many poor-law administrators as to the very favourable prospects of dispauperization is due to a lack of interest in economic speculation, and for this reason I see how very desirable it would be if poor-law guardians could be imbued with some tincture of economics, and so made more competent to form a judgment on the history and theory of this most important question.

I now pass to the other side of the suggested contrast, from the population retained in pauperism, to that larger section of the community who are organized under that economic order,

the extension of which I suggest by my title is the true alternative to pauperism. By the economic order I mean generally that framework of society which Maine has described as contractual. It is a plain historical fact that civilized society has, over a large field of human activity, relinquished as inconvenient and intolerable the old static condition of serfdom, and the communism which accompanied it; and has organized itself on lines which have led to personal freedom in the disposal of services, to the institution of private property, and, as a corollary inseparable from these, to a recognition of the right of exchange.

The economic order, viewed as an alternative to pauperism, does not, I apprehend, differ from the economic order which has proved an acceptable alternative to other forms of servitude. It accepts the risk of a wage-earner's life as preferable to the stalled security of a serf. It successfully evokes from labour increased mobility—a term which includes not only mobility in space, but mobility of industrial aptitude,—a recognition of the fact that wage-earning cannot be continuous, and that there are crises which must be met by savings and insurance, and that there is need of prevision in the rate at which men create responsibility. Considerations of this kind are leaving their mark on the habits and character of the people. They have already transformed and disciplined a section of society. Wages have increased; the badly paid trades are being denuded of labour which is being attracted, as far as trade union regulations will allow, to well-paid industries—a fact which gives birth to new well-paid industries. Savings and insurance are largely on the increase. The reported increase of population is maintained by a fall in the death rate and not a rise in the birth rate. All of this may be deemed satisfactory. The absorbent power of the economic order is clearly very great, but there remains unassimilated a large population, which is retained within the range and influence of parochial dependence far longer than the necessities of the case require. The question is—how can they be detached from their dependence? The answer suggested is, on the one hand, by a consistently restrictive administration of

the poor law, and, on the other, by a quickened development of the arts of the economic order. An observation of the extraordinary vitality and absorbent organizing power of the economic order should, I think, fortify us in our resolve to restrict the rival facilities of poor-law maintenance, and so loosen the bonds which still bind a portion of our population to an archaic and lower type of existence. Some pressure in the interest of emancipation is needed from the administrator of the poor law if the pauper population is to be brought effectively within range of this rival and legitimate organizing force.

To the practical administrator, who from a study of the economic factors of the situation has brought himself to believe that dispauperization is possible, all this seems very clear. He has seen his expectations verified at such places as Whitechapel and Bradfield; and as such conclusions are obviously of the very greatest practical importance, it is most desirable that the poor-law administrator should be sufficiently interested in economic speculation to appreciate the nature of the propositions which this argument and these experiments seem to establish.

Theoretical economists, in time past, have done much to help, and have kindled a good deal of enthusiasm for poor-law reform, but at the present time the subject seems to be regarded with indifference. Certain doubts have arisen which, I believe, would be dissipated by a practical experience of the facts. Thus some economists, relying on the indubitable fact that the condition of the poorer classes in this country has on the average much improved since 1834, have doubted the propriety of maintaining the tests and safeguards against pauperism which were then deemed necessary; and they have suggested that some relaxation might be desirable. This argument I believe to be most fallacious. The persons and the class for whom a strict and, using the term in its etymological sense, repulsive test is necessary, are not the normal working population, but the exceptional members of that and other classes who have a natural proclivity for the hand-to-mouth life, which, after all, is the primitive and natural life. Every one, who has

practical knowledge of this class, is aware that the endowments, legal and voluntary, which permit and even encourage this irresponsible attitude were never so numerous, so large, and so attractive as at the present day. The thing which society has to combat in its struggle with pauperism is, not so much failure on the part of the disciplined classes, but the inability and unwillingness of a section to submit to any social and economic discipline whatsoever. It is not a question of those who fall, but rather of those who never rise, who, though they have periods of prosperity, good and constant employment, use their advantage for making their hand-to-mouth life for the moment more profuse, and who have no conception of any other sort of life. They decline altogether to submit themselves to the teaching of the economic order. The economically disciplined classes fear poverty, and, taking some pains to escape from it, as a rule succeed in avoiding its severest forms. The main difficulty of the situation arises from the fact that for the undisciplined poverty has no terrors. They are content with a mere life of wage-earning, and take no interest in the other arts of thriving which in the economic order are the complement to wage-earning. This resolutely proletarian attitude is buttressed by the poor law as it is too often administered.

This fact, if I may speak for myself, is the phenomenon which is most prominently forced on the attention of those who have had practical experience of the subject. I could, from my own observation, give innumerable instances of the light way in which men and women will live an ample, nay, a luxurious hand-to-mouth life, and face the inevitable destitution of sickness, old age, and the other risks of life with complete light-heartedness. This irresponsible attitude, which resolutely ignores the provident arts, is, I submit, a natural and primitive attitude. It is not a matter on which we shall do any good by scattering blame broadcast. It is, however, a fact of which we have to take notice, and I ask what relaxation of the tests and safeguards designed to keep people off the poor rate is possible in the face of this state of things? We are not able to conceive a class living a more completely uneconomic and unsocial life

than the proletariat from which our pauperism is mainly derived. Greater facility and amplitude of poor-law relief will only mean the more certain and more permanent retention of this class in the imprisonment of pauperism. I do not think that the suggestion would have been advanced if the economists who make it had had practical experience of the subject-matter with which their theory is concerned.

One other argument I should like to address with all respect to the economists. I have represented that pauperism is an archaic survival, modified, of course, and, I fear, in the main vitiated, by its modern surroundings, and I have affirmed that it is the business of a wise administration to aid in the disintegration of pauperism. Now, I am, of course, aware that the generalization of Maine, which I have adopted as the basis of my argument, viz. that progress has been from status to contract, is not admitted to be the last word on the subject. There is undoubtedly evidence of a tendency to revert again in certain particulars to the principle of status. The great improvement which has come about in the condition of the poorer classes, as the result of the movement summed up by Maine's aphorism, is generally admitted, but it is also urged that this improvement has given rise to new ambitions and new ideals. Many things which formerly it was thought could only be secured by the effort of the individual on his own behalf, are now being provided for him as the natural advantage or perquisite of his civic and municipal status. We must "think in communities." There is no doubt as to the existence of this new thought; it is welcomed by some, and deplored by others, and the merits of the controversy are not likely to be decided in our time.

This is a subject not to be pursued here, but in connexion with it, it is a pertinent question to ask to what category are we to refer the parochial status of pauperism. Many forms of primitive status have been abandoned, and the step has been unanimously considered as evidence of progress. And the question arises—Is the dependence on a public provision which we know as pauperism a thing which ought also to vanish, or

is it a thing justifiable as part of the new civic and municipal dependence which in some quarters evokes so much enthusiasm? The question chiefly concerns those who favour the new civic and municipal socialism. I have watched for an answer, but I confess I do not know the nature of the answer which they will make to this question.

I have not observed that an attractive administration of the poor law—one, that is, which would be cumulative of dependents—is strenuously advocated by the more responsible socialists, though undoubtedly this is a very vulnerable point for agitation, if social revolution is our object. I hope that this may be due to a conviction that the development of parochial dependence is not a line of policy by which the socialist permeation of our economic constitution can conveniently advance. Be this as it may, I am sure that a full acquaintance with the character and type fostered in those who rely on the pauper maintenance will cure any unprejudiced person of the belief that progress can ever be promoted by giving increased facilities and inducements to the pauper life. Take, for instance, the question of the unemployed, which at periods of depression of trade becomes so urgent. The lack of industrial ability characteristic of the class of men who at such periods come forward for assistance, is the despair of those who have attempted to organize profitable industry for their assistance. No more certain specific for industrial failure could be conceived than to attempt to run a business with a staff selected from this class. Intermixed with that of their more competent fellows, their service can be utilized, but if there is to be any successful substitution of civic and municipal enterprise for private enterprise, it must not be manned by the class of labour that is normally found availing itself of poor-law endowments.

I conceive, therefore, that whether we are in favour of a great extension of state and municipal responsibility or not, we ought unanimously to regard the pauper maintenance as a thing to be jealously curtailed, and eventually abolished, in the confident expectation that the emancipated population will be absorbed and organized, to its own infinite benefit, by the legitimate

expansion of the economic order—and this quite irrespective of the doubt as to the part to be played in the future by civic and municipal enterprise.

The question which I desire to submit to the consideration of economists is: Are we justified in regarding pauperism as a last survival of an older organization which has elsewhere been replaced by a happier order? And, if so, are we not imperatively called on to labour for a restriction and gradual disintegration of this uneconomic form of life? While I am bound to apologize for the very imperfect manner in which this subject has been treated, no apology, I am sure, is necessary for pressing it on the attention of economists. The reform of 1834 was urgently demanded by the crying abuses of the time, but the success of that legislation was due to the authority and influence of social economists like Senior, Chadwick, and Brougham. At a later date, some thirty years ago, a fresh interest in the process of dispauperization was raised by the teaching of John Stuart Mill, by Fawcett's valuable essay on pauperism, and by the influence of Mr. Goschen, then happily installed at the Poor Law, now the Local Government, Board. It has been in large measure due to their authority that the administration of the law has occasionally, and in places, been raised above the level of ignorant empiricism.

If public opinion, which is the source of all energetic public action, is ever roused to take up this subject seriously, I hope it will have the guidance of just economic theory, which I believe might fire the popular imagination with a belief that pauperism is largely an unnecessary and artificial evil. The future of the subject is very largely in the hands of the economists. They are not asked to discover, but to pronounce a verdict on, a definite body of doctrine and a definite plan of campaign, and as one who has had some practical experience of the subject, I venture to ask for their condemnation or their approval.

T. MACKAY.

DOCK LABOUR IN IPSWICH.

THE following account of the conditions of dock labour in Ipswich is based on an investigation which was undertaken last year at the instance of the Young Men's Society connected with St. Michael's Church. A special committee was appointed for this purpose, which carried on its work for several months, with the generous assistance of several experienced managers of dock labour, and of some others who are acquainted with the conditions of the labourers' home-life. The report attracted a good deal of attention in Ipswich, and also evoked a certain amount of criticism ; and though it only deals with local conditions over a very limited area, it is thought that it may have some interest for a wider circle of students.

The report deals first with the economic conditions under which the men work, and secondly, with their social and moral conditions. With regard to the former, it must be borne in mind that there is little or no export trade in Ipswich, and that, therefore, the loading of vessels, which forms the most skilled and important part of dock labour in other ports, has little or no place here. Skilled stevedores are hardly found at Ipswich, except as foremen of the gangs of men who unload the imported commodities.

The men who unload vessels are divided into two classes—those who work in the hold, and those who work on the wharf. The arrangement is as follows:—The local shipbroker engages a gang of men under the control of a capable stevedore, and supplies them to the ship's captain, who then undertakes to raise the cargo from the hold of the ship, and deliver it into the scales on deck, except in the case of coal, which is delivered into a basket in the hold, and of timber, which is delivered on the quay. These men seldom do any other work. The merchant,

for his part, engages another gang to receive and weigh the corn thus far delivered, and carry it to its place in the warehouse. The ganger who organizes this work is a trustworthy man, in the regular employment of the merchant. He weighs the corn, and receives the pay for the gang, including an acknowledgment for considering the merchant's interests. These two distinct classes of men are paid at the same rate. But in attempting to arrive at an idea of the average wage of the Ipswich dock labourer, account must be taken of another classification of labour, which covers the same ground. The men may be grouped in three divisions, according to the goods they carry—viz. (1) coal-porters, (2) corn-porters, (3) general porters. The third class handles various imports, such as phosphates, pyrites, pig-iron, stone, timber, and sugar, and may be distinguished from the other two classes. The work is done by gangs of from four to six or more men, the size of the gang varying with the distance to which the cargo has to be carried.

To take the coal-porters first. Each man in the gang is paid threepence for every ton of coal unloaded by the gang. He is also supplied with beer to the value of eighteen pence a keel, *i.e.* twenty-one tons, served at a neighbouring beer-shop. As all computations of a coal-porter's wages must be based on this threepence a ton per man, it is evident that his possible earnings depend on the amount of coal a gang of men can raise from the hold in a definite time. One of the witnesses before the committee, a gentleman of much experience in the trade, estimated that a gang of five or six men could unload and store thirty tons a day out of a sailing ship, or about fifty tons out of a steamer; so that the maximum wage would be 7s. 6d. a day for sailing-ship work, and 12s. 6d. a day for steamship work—the extra money for the latter being fairly earned, because unloading steamers is harder and faster work.

The second of the three classes of men is the corn-porters. Their pay is at the rate of threepence for a score of sacks. The sack is the basis of pay for convenience' sake; but as sacks weigh differently according to the kind of grain, the balance is kept by arranging that heavy grain, *i.e.* grain weighing fifteen

stone a coomb and more, is carried only ten yards for the three-pence, and light grain fifteen yards. The gangs also may vary in number according to the length of the journey, so that generally thirty score may be unloaded from a sailing ship, and forty score from a steamer, in a nominal day of ten hours, or between eight and nine hours of actual work. Thus the maximum pay works out at 7s. 6d. for sailing-ship work, and 10s. for unloading steamers.

Of the various articles of the third class, phosphates, pyrites, and stone are paid for at twopence a ton. The maximum wages for getting phosphates out of a steamer would be 10s., and 6s. for sailing-ship work. Stone comes mostly in small steamers, and the men could possibly earn 7s. 6d.

The work of unloading timber must next be described. It should be borne in mind that a standard of wood, *i.e.* ordinary Swedish fir, is estimated to weigh two and a half tons. On sailing ships the crew of the vessel discharge it overside, whence it is put on carts by the dock labourers, and stacked direct on the piles in the yard. A gang consists of seven or eight men, and the price for this work varies from 3s. 9d. to 5s. per standard, according to the size of the stuff. The rate of discharge varies from about fourteen to twenty standards per day. In discharging steamers stevedores usually pack the goods into slings, which are lifted overside by steam power, to be taken in charge by the ganger and his men. The rate paid to the men for taking the timber from the side of the steamer, laying it down rough, and eventually stacking it away in piles, is from 4s. 9d. to 5s. 6d. per standard. It has been estimated that in unloading timber from steamers, the men do not earn on an average more than 6s. a day; while for discharging it from sailing ships, the pay varies from 6s. 6d. to 12s. 6d. a day.

In all cases of dock labour in Ipswich the maximum pay ranges between 6s. and 12s. 6d. per day. It should be pointed out, however, that the maximum wages are calculated, not because they are regular and constant, but because it is necessary, where actual earnings vary so much, to take some fixed standard. But just when one has arrived at what seems

like a definite idea of the possible earnings of the dock labourer, the irregularity of employment introduces a fresh complication. Ships do not succeed one another with that clock-like regularity which is so convenient to the lover of statistics. Thus it is calculated that the average wage of coal-porters is about a pound a week; and during the summer months work in the corn trade is, as a rule, comparatively slack. Taking into account the earnings of *the last five years*, an average wage of thirty to thirty-five shillings a week all the year round can only be counted on by a very limited number of men acting as foremen. These men are in regular employment. When work is abundant they act as gangers, and superintend the general body of labourers. Next come the first-class men, a large body, who are not regular workers at any particular wharf, and whose average wage may be put at from twenty to twenty-five shillings a week. There is a second class of men who are not employed unless work is very abundant, and whose average earnings are not more than seventeen to twenty shillings a week. Then there is a third class of labourers, men who are not physically fit for heavy work, such as carrying a sack of grain weighing from fourteen to seventeen stone, whose pay is reckoned at a pound a week of sixty hours, that is, fourpence an hour; but the average earnings of the best men of this class are only fifteen shillings a week or even less.

It is unhappily true that industries which are imperfectly organized and exposed to seasonal fluctuations will always attract men whose habits unfit them for regular employment, and action and reaction between character and circumstances will too often be the story of the downward road. At any rate there must, as has already been observed, always be a large amount of irregularity in an occupation which depends upon the arrival of ships. But it was particularly urged upon the Committee that the Ipswich dock industry is less organized than it might be, if the quays were enclosed and made private property instead of being left open to all comers. Each merchant has an exclusive right to trade and carry goods over the strip of quay in front of his warehouse, but the public have a right of

way over the whole ground, and, therefore, loafers cannot be excluded. The Dock Commission keep the quays in order at their own expense, and supervise the condition of the warehouses and other buildings, and the erection of new premises belonging to the merchants. It has been suggested that it would be a good thing for the dock industry, and so indirectly for the town, if the quays could be enclosed, and no one admitted except on business. Idlers, whose presence demoralizes the weaker labourers, could then be excluded, and the men actually employed could be more satisfactorily organized and their work superintended. With more effective organization and direction it would be more possible for the managers to employ the same men continually, and, when necessary, to shift them from one kind of work to another.

The lightermen, who bring lighters up and down the river, earn five shillings a day, or when in dock are paid at the same rate as the labourers described above. They move the lighters about the dock, and do other odd jobs, such as rigging derricks and turning winches to raise grain from the hold of the ships.

There is also another occasional occupation open to dock labourers, besides employment in brickfields, or at harvest-time, or in the Militia or the Naval Reserve (all of which help to fill the leisure of a few), namely, the running ships in ballast to other ports. Under the Board of Trade regulations, ocean-going sailing ships from distant ports must discharge their crew upon arrival in the docks, and the ship's captain then employs the stevedore men as runners to take the ship to a port where she can get a cargo. On these occasions the men are paid by agreement, and earn about £3 for the job, which lasts, perhaps, for a week.

Attention should also be drawn to the practice of "subbing," *i.e.* an advance of payment for work partially finished, which is much in vogue in the Ipswich docks. A man may earn two or three shillings by eleven o'clock, and may then make a "sub." of perhaps two shillings, which will be deducted from the total earned at the end of the day. With regard to this custom, it must be pointed out that the irregularity of employment, and

the not infrequent slack times, often make it necessary for a man to ask for an advance to meet his immediate needs. As to the good or bad effects of this custom upon the worker, the matter largely rests with the discretion of the manager in dealing with individual cases.

Another interesting question is concerned with the alleged displacement of dock labour by machinery. The tendency to redistribute labour by the introduction of machinery is common to all industries, and is indeed practically irresistible. Before jumping to the conclusion that the warehousing of cargoes by machinery is an unmixed evil, it will be well to examine two specific cases which affect local dock labour. Cargoes of corn, which formerly were unladen wholly by manual labour, are now dealt with in port by elevators for the following important economic reasons. The demand for this peculiar kind of unskilled labour—that of the corn-porter—is greater than the supply, when large quantities are to be dealt with in a limited time. An elevator works at the rate of from forty-five to sixty tons an hour, day and night, and this output will probably be increased by improved machinery, whilst manual labour cannot be employed, except during the daytime. It is found that the number of men required to compete with the output of an elevator would be so large as to render it impossible to provide sufficient accommodation; in fact, they would be in one another's way. Again, the effect of a reduction of the output down to the capacity of manual labour would involve a serious expense of demurrage to the merchant on the one hand, and on the other, the general standstill of other departments in consequence of the inadequate supply of grain. It will, therefore, be true to say that the elevator serves a good purpose in redistributing labour and providing greater facilities for work in other departments. It should also be borne in mind that, though much grain is warehoused by elevators, the larger quantity is again distributed by hand labour, only a small portion going through the "shoot." Again, the automatic weighing-machine used in the warehouse for filling sacks, which formerly were filled by hand, provides a class of labour suited to men who are physically unable to do

the heaviest kind of manual work, and who would otherwise be unprovided for. With respect to the "grabs," lately introduced for discharging coal cargoes, it must be admitted that here is a clear instance of the substitution of machinery for hand labour. But it should not be forgotten that machinery creates a demand for skilled mechanics. This, in the long run, really means the conversion of the unskilled manual labourer into the skilled mechanic, and the diversion of manual labour into other channels where there is more demand for it, and where it may obtain a higher remuneration.

In discussing the moral and social condition of the dock labourers in Ipswich, it should be remembered that they cannot demand special attention on the score of their numbers. There are only between two and three hundred of them, of whom between one hundred and one hundred and fifty are householders; and this in a place where the iron-works and railway employ about four thousand hands altogether. The dock labourers claim attention chiefly because of the unorganized and unsettled nature of their work, and because the poorer three-quarters of them give the guardians and charitable agencies an amount of anxiety which is quite out of proportion to their numbers.

Of the general condition of the more prosperous minority there is nothing special to be said. They live like other labourers, and in the same neighbourhoods. It is with the dock labourers, in so far as they differ from the ordinary type of a working-class population, that this report is more immediately concerned. These inhabit small houses in the lower part of the town, and are mostly found in the parishes of St. Clement's, Holy Trinity, St. Helen's, St. Mary Key, St. Michael's, St. Peter's, and St. Mary Stoke. Their rents range from half a crown to five shillings a week, and though most of the houses are properly drained, through ventilation, that first requisite of health, is frequently absent. There is a Dockers' Rest, which many use, but only during the day. Gangers are expected and instructed not to pay the men in public-houses, but there is a well-grounded suspicion that they do so, though the practice is illegal. Even if a man is a teetotaller, he must wait in or outside a public-house

for his pay. Though the practice is generally disliked by the men, they have not courage enough to protest against it. The general excuse is the lack of a suitable place, or the desire for change. But there is no ground for either of these pretexts. The labourers often get several shillings into debt with the publicans, who in some cases finally resort to physical force to recover their money. In the winter, forty or fifty men work at Harwich for several months, and spend their money in the public-houses there. It is a matter for deep regret that the aged dock labourers, when they are no longer able to work, in many cases find themselves in a deplorably destitute condition.

With regard to remedial measures, the committee ventured to submit the following considerations. The first essential seems to be the restoration of mutual confidence between employers and employed. To this end it is an absolute necessity that whatever may be said or done by the masters should have the genuine ring of truth and honesty which will carry conviction. On the other hand, any such advances ought to be met in a proper spirit by the men. A specific case came under the notice of the committee, in which such an advance was made a few years ago on the part of one firm in the town, but was received by the men in a way which has tended to discourage any further efforts in this direction.

Not much has been done for the moral education of the men, beyond the establishment of a dockers' tea, which brings them together once during the year. The Dockers' Rest is of real service to those who make use of it, but there is reason for believing that its benefits might be greatly extended. It would be well to put it on a definitely religious basis. If the men could be induced to meet there sometimes in the evening to hold discussions on subjects bearing on their work, it cannot be doubted that this would be the beginning of a better state of things. It was also urged that the idea of the Dockers' Rest is capable of further development for the purpose of affording a counter attraction to the public-house. It should be added that well-directed efforts have already been made by one of the local clergy towards providing a lodging-house for unmarried dockers,

which thoroughly deserves every possible support and encouragement. The necessity for such an institution as the Dockers' Rest also applies to the Ipswich men employed on working cargoes at Harwich. At present the only refuge for the men during slack times in the winter months is provided by the public-houses in which they lodge.

It only remains to add that the above investigation was undertaken in the hope of exciting wider interest in the subject, and that the various statements and suggestions made are now submitted for further consideration or criticism. A specimen statement is appended, to show the sort of evidence which was collected by the committee among the dockers themselves.

A. J. ALLEN,

Chairman of the Committee.

SPECIMEN STATEMENT BY A DOCKER.

To earn threepence, a man has to carry twenty sacks, weighing seventeen stone a piece, ten yards.

The average earnings of a good docker in fair work are more than a pound a week, possibly more than twenty-five shillings. But many of the men on the quay are physically incapable of doing such work.

Some of the men work till they have earned a shilling or two, then they go away, spend it, and come back again.

The number of public-houses on the quay is a cause of the dockers' over-indulgence in beer.

The Dockers' Rest is a thoroughly good institution, and deserves more patronage than it gets. It is a pity that it is stowed away in an out-of-the-way place. If it were more prominent, it would receive more support and do more good.

The Dockers' Union, when in existence, did good in every way, and some of the good it did lives after it. One of the chief reforms it accomplished was the excluding of outsiders from the quay. Unless a man had a Union ticket, he could not find a job, as the Union men would not work with him. If the quay could be closed against outsiders instead of being open as now, it would be a good thing for the real docker. The Union has helped to raise wages, and in this respect its efforts have lasted.

Machinery is gradually making the dock labourer unnecessary. The "grabbers," lately introduced at the gas-works, illustrate this tendency.

Previously a number of men were employed to do work which now is done by three or four labourers together with the "grabbers."

The fact that Army Reserve men come down to the quay and take away the work from the dock labourers is resented for the following reason. The reserve men are in receipt of a pension from Government, while the ordinary docker has no such private means to help in supporting him.

Many of the dockers have a grievance against the gangers, some of whom keep for themselves a portion of the wages which they should pass on to their gang. If the men complain of a ganger, he refuses to employ them again, and they find it difficult to get work. It should be added that this charge of dishonesty is brought not so much against the regular gangers, as against those who are placed at the head of gangs, when work is very brisk and extra gangers are needed.

SMALL FARMING IN YORKSHIRE.

THE parish of Carlton-in-Cleveland is beautifully situated at the foot of the Cleveland hills, about twelve miles from Middlesborough, in the North Riding of Yorkshire, in the Diocese of York. The village is very picturesque, and is well wooded for the north ; the cottages, which are of good size and in excellent repair, stand on an elevation, running north and south on each side, and a small beck runs through the village from the neighbouring hills. The Church of St. Botolph was totally destroyed by fire during the late incumbent's life, and remained a total wreck for fifteen years. The late vicar was tried for burning the church, but, as not a shred of evidence to this effect was brought against him, he was fully acquitted of the charge. Sad to say, the church remained in this pitiable plight up to the time of the late vicar's death.

When, therefore, I was placed in charge of the parish in 1895, I inherited the duty of building a new church on a magnificent site. My predecessor was his own architect, and naturally some of the people thought it was rather hard that I would not accept a free gift of plans from a young architect. But the site for the church stands out so prominently as a landmark that the whole landscape would be disfigured by an unsuitable building ; and as the ruins had so long remained a public eyesore, I thought it would only be right to use my influence in trying to get the best of architects. It is, indeed, a rare privilege for a vicar to be allowed to build an entirely new church. The old walls were thin and poor, and on faulty foundations, which had to be completely raked out. The sum required to carry out Mr. Temple Moore's plans was nearly £3000, for which we were promised a very beautiful church of dressed stone, in fourteenth-

century style, with an oak roof ; and all the workmanship and materials were to be of the very best quality. The parishioners, after several meetings, came to the conclusion that the parson could have his own way if he would sign the contract and be responsible for the money. This he was glad to do, in order to save the parish from having a hideous structure in brick. The church as it now stands has fulfilled every one's expectations. It is solidly built of stone which, by the generous permission of Earl Feversham, was brought from a quarry a few miles distant but lying in the hills at the height of one thousand feet. A good many of the farmers in this parish and a few from neighbouring parishes, especially the smaller farmers, assisted us by conveying the materials ; some would sledge the stone over the more dangerous parts of the road, and others would cart it to the church. By doing this ourselves the contractor was never tempted to put a poor stone into the building.

During the three years in which the church was being built I came closely in contact with all those who helped in the good work. Some of my parishioners were often puzzled to know why an architect should be employed and his plans so rigidly carried out, and why the foundations should be made so very strong. But now that it is finished all are delighted with the plain and massive walls of the church, and its really fine proportions. The money came in remarkably well, and the poorer people contributed in a wonderful way. Indeed, the effort to build a really good church was well backed up by people of all sorts and conditions. I knew I had a good enterprise and good plans. I had signed the contract, and the work had to be carried through, though some were inclined to suggest we were too extravagant, and that a cheaper church would have answered our purpose. Lord Masham, who lives some forty miles out of our neighbourhood, gave us a handsome donation ; the lawyers were exceedingly kind, and many a £5 I got from men upon whom I had not the slightest claim. This should be very encouraging for any of my brethren who are working might and main to do away with "churchwarden architecture."

What has all this to do with the small farmer ? Only this,

that since these men on their small farms were exceedingly good to me when I was often struggling to pay the contractor, I was in duty bound to show my gratitude when the opportunity occurred. The farms in the parish of Carlton and Faceby are for the most part of a very convenient and workable type. The average size is from sixty to a hundred acres, and the rent varies from 12s. to £1 an acre; there is also sometimes the right of stray upon the moor. Judging from the stock, implements, and the homes, the farmers all are in a fairly flourishing state. For the most part they are self-made men, who have been hinds or servants on a farm, and have saved enough money to start on their own account. They are sober, intelligent, hard-working men, and have, as a rule, remarkably fine families. On seven of these small farms there are some fifty healthy well-developed children, as may always be expected where the mother nurses her own children. It was a crying shame, some years ago, to pull down old farmsteads or allow them to fall into disuse, as was the case in many parishes; and in one part of my parish there used to be three farms and houses where there is now only one. The result has been that, while the hired lads still live in the house, the number of independent small holders has been lessened. This is a great pity, for they breed a fine and sturdy race of men. For instance, a small farmer's daughter, who had been staying in a neighbouring town with a friend whose father's wages were £2 10s. a week, remarked that they seemed as a family to have very few of the comforts of life as compared with what she had at home on the farm. And sometimes when we see a young man return from a large town where he has settled down to work, the contrast is very remarkable between him and his strong burly farmer brother.

On these farms all the work is done by the family, and there are good markets for the produce. Young cattle have been selling well for the past few years, and some who have borrowed a little money to start with have now paid it back, and are either putting by savings or increasing their stock. There are excellent landlords in this neighbourhood who are really interested in their tenantry, and the homesteads and cottages

are kept in a good state of repair. I can well understand the farmer who said, "I would sooner be a tenant than a landlord, for the landlord does all repairs, and I can put my money out at a better rate of interest than by owning land." No wonder, then, that there is a very keen demand for farms of from sixty to one hundred acres, which provide a comfortable living for a hard-working man. One has to remember that the farmer is his own master, and disposes of his own time, and that there is no greater source of happiness than when a man can see his own family growing up around him healthy and strong. It is quite evident, therefore, in spite of all the grumbling which we constantly hear, that there is yet a very happy home life to be secured on these small farms. I know six young farmers who are at present at home on the look-out for farms, men who can thoroughly be relied upon, and who have a little capital of their own ready for an opening.

Since the church was finished I, too, have taken to farming my own glebe as well as some other land, and I have had no cause to regret taking this task in hand. For the past three years we have had a series of meetings addressed by lecturers from the Yorkshire College and from the County Council, and which have been well attended. I was fortunate in securing a room forty feet by twenty feet, which has been erected in the vicarage garden; this has been of the utmost service, for it can be used at any time, and as often as required. The first course of lectures was on the management of dairy stock, at which we had an average attendance of thirty people. Practical lessons were also given in butter-making and cheese-making. The lecturer was a very competent instructor, and was most pains-taking with his pupils. We also had lectures on poultry-keeping—on one occasion there were fifty-six people present—and on cooking and laundry work.

The lectures on butter-making have been of the greatest assistance, and have taught us how to make the butter of a more even texture, and how to keep it fresh. Constant complaints had been made about the poor quality of the butter made in this district; and a neighbouring squire, himself a large

farmer on a most expensive scale, after testing the quality of the butter made according to scientific methods, asked if he could be regularly supplied with it. To have done this might have brought the parson into bad odour with the tenantry, and so might have upset any plans for trying to bring the parishioners to these lectures ; but an arrangement was made that the squire should first endeavour to get what he wanted elsewhere, and, if he failed, that the parson should provide the butter. An agreement was eventually entered into that the parson should supply ten pounds of butter a week at 1s. 3d. per pound—a fairly remunerative price, and this contract has now been in existence for nearly three years. The secret of making good butter is simple enough—proper feeding of the cows, scrupulous cleanliness, and the use of the separator. This ingenious instrument is absolutely invaluable to a man with a small dairy ; in the summer it keeps the cream sweet, and the skim milk fresh for the calves, and rapidly extracts all the cream out of the milk in the winter. But before the Yorkshire man accepts or thoroughly carries out anything new, he is wise enough to ask himself the question, Will it pay ? However, the plain fact that we get 1s. 3d. per pound for our butter all the year round speaks for itself, and has done more and more year by year to popularize these lectures and the scientific methods which they inculcate. Numerous inquiries have been made about the separator, and by degrees these convenient machines will be more widely introduced. The demand for good butter might easily be increased to a very considerable extent. For instance, if we could supply thirty pounds a week, we have the customers ready to purchase it—even in our own neighbourhood many people send to Ireland for their butter ; and yet our butter is made by a village girl who has been entirely taught at the vicarage room. Again, a great deal of time would be saved in many a farmhouse if the thermometer was oftener used ; and, in fact, if only our dairymen would adopt scientific methods there would be no need for the towns to buy Danish butter as they now do. Denmark has not our rich pastures, nor such a fine breed of cattle as we have ; but by means of her

well-organized creameries, the scientific way in which everything is managed, and the widespread co-operation of her small farmers and peasants, she has beaten us out of the market. I feel certain that, if more attention were paid to the organization and management of dairy produce, we could easily hold our own in the open market against foreign competitors.

Further, along with other farmers, we send our milk to Middlesborough, as we fortunately live near the railway station. But last summer was a very trying one for this business, especially in view of the small crop of hay. And in any case there cannot be much profit for the man who only gets 7d. a gallon in summer and 9d. in winter, out of which he has to pay 4d. a gallon for carriage. This seems a poor price when milk is selling at 14d. and 16d. a gallon to the ordinary consumer; but, of course, one must remember the difficulties with which the retailer has to contend. Dairies differ considerably in many respects, and the cows of one dairy are often far superior to those of another; yet the price of the milk is just the same in either case. No doubt there is a certain legal standard for the quality of milk, but this test only tends to prevent gross forms of adulteration; and it does seem hard that a good supply of milk from a herd of young newly calven cows should only fetch the same price in the market as that from a herd of old cows fed simply for the purpose of giving quantity and not quality. It is also a most unfortunate fact that in most of our country villages there is great difficulty in buying milk for local use. Thus, in cases of sickness, I have often found that the very kindest gift to some of my parishioners is a small supply of good milk, or, where they do not care to accept it as a gift, to let them buy it daily for a time. Indeed, it is simply astonishing to watch the effect of a regular supply of really good milk in promoting the recovery of health and strength; and, as might be expected, such little acts of kindness reap a great reward of gratitude and goodwill towards the parson among his people.

In these two parishes of Carlton and Faceby, besides the other farms, we have some eighteen small holdings, whose

average size is from two to twelve acres of grass land. These are let to cow-keepers and men who work on the road, or who are employed in carting and helping at odd times on the large farms, at from £3 to £4 an acre. One small holding of eighteen acres, at present occupied by a widow, lets at £54 10s. a year, to which must be added the rates and tithe, which bring the total rent up to £59. Yet, in spite of the high rent, there is a very great demand for holdings of this size. For instance, there was a recent rumour that this particular place would soon be at liberty, and at once one of my own men asked me to support his application for it. Another small holding in a neighbouring parish, the owner of which was retiring from farming, received fifty-nine applications for the farm of twenty-six acres; but he was wise enough not to let the land to the man who bid the highest price, but to a man who was known. These small holdings, in spite of the high rents, are of the greatest advantage to the occupiers; thus in one case, within my own knowledge, a tenant has brought up some sixteen children, the wife and children working the holding of eleven acres while the man has been engaged as a general labourer. It is, indeed, a great pity that these small holdings are not multiplied in number. I am well aware of the cost of buildings; but perhaps when a large farm near the village becomes vacant, which has been let at about 15s. an acre, some of this land might be offered in small lots of four or five acres to those who have small holdings, and who would not require new buildings. Even if the land had fallen into a poor state of cultivation, these small farmers would soon bring it round again, and would in time erect any extra buildings which might be required for their purposes, as in fact has taken place under my own eyes. It would be a great economic advantage if more of the land near our villages was cultivated to a higher degree than it is at present; and this could be done by giving the small holders a better chance of getting hold of the land, so that more labour might be brought into requisition.

No land seems to be so badly farmed as the glebe, for, as a rule, it is let to people who have other fields in hand. It is too often the parson's glebe that gets robbed first, and is rapidly

hours, and I have half a day off each week; but on the farm you are never done." Therefore, if we are to retain our lads in the villages we must, at least, give them their regular half-holiday every week. Of course, this may reasonably be curtailed at seasons of high pressure, during hay-time or harvest; but I am convinced that if the average labourer is well treated, and is allowed, as a rule, his half-holiday during the cricket season, or when he can be conveniently spared, he will more than make up for the apparent loss by putting more heart into his work at other times. Certainly, I have found that this policy is completely justified, even from the commercial point of view, by the actual results.

In promoting this new development of country life and work, my own experience has shown that the country parson has a great opportunity, which, to my mind, is also a great responsibility. He is pastor, not only of the soul, but the body too; and both "cures" are meant to co-operate together in the national task of educating a healthy, vigorous, and God-fearing people. By providing facilities for wholesome and rational amusement on the one hand, and, on the other, by setting an example in the direction of scientific methods of agriculture and dairy-farming, the country parson can supply a much-needed stimulus towards the revival of British agriculture, and the maintenance of our sturdy race of yeomen. For example, during the winter we have a regular dance once a month in the vicarage room, which is greatly appreciated by the sons and daughters of our small farmers; and in so far as the parson can share in the common lot of his people, through his own experience of the gains and losses of practical farming, he is all the more likely to be of real service to them in their deeper joys and sorrows.

J. L. KYLE.

SOME NOTABLE "KING'S MERCHANTS."

I.—ANTHONY PESSAIGNE OF GENOA.

OF no individual merchant in the Middle Ages are the contemporary notices more numerous, consecutive, or instructive than those relating to the affairs of that great and distinguished foreigner Anthony de Pessaigne, of Genoa. Records concerning his transactions are spread over the first forty years of the fourteenth century, and if, as is not merely possible but highly probable, he was one of the company of Genoese merchants who came here in 1300 with a recommendation from Amadeus, Count of Savoy, Anthony would have the unique distinction, not only of having lived under three English kings in succession, but also of having served the financial necessities of three Edward Plantagenets. Of any intercourse between Anthony and the first Edward I have as yet discovered no trace; but the probability that he served him amounts almost to a certainty, from the fact that only three years after his death we find the Genoese trader well established as a merchant of the royal household—that is, as a prominent "king's merchant."¹ A study of Anthony de Pessaigne's affairs is economically interesting, not merely because it reveals the actual scope and province of the "king's merchants"—what they bought or undertook for the king, and what they received in money or privileges by way of return,—but for the wider reason that the business transactions of these great foreigners formed links in the chain connecting the petty insular commerce of England with the intricate coil and network of the European, particularly of the Mediterranean, markets.

The Italian merchants and the Lombard bankers had been already established in England for at least a century, but

¹ *Patent Rolls*, 1300, June 7, m. 15.

Anthony de Pessaigne was the first, as, I believe, he was the last, great Genoese merchant who served the English crown. At the time when he came here, in the opening years—if not, indeed, in the very first year—of the fourteenth century, the republic of Genoa was at the zenith of her fame and power, and was establishing markets and colonies in all directions. The Genoese sailors then, as later, were among the most daring afloat, and shrank from no expedition however hazardous. Probably the dangers of our narrow seas tempted them northwards,—at least it is certain that a company of Genoese merchants arrived here in the year 1300. Hitherto their chief depôts had been in the Mediterranean and the Levant; at Constantinople, on the Black and Caspian Seas,¹ at Trebizond in Armenia, as also in Syria, Arabia, Egypt, and Barbary. They are said to have penetrated to India and China. In all this they not merely rivalled, but, for a time, outstripped the Venetians,² of whom they were inordinately jealous, and with whom they were, during two centuries, more or less at open war. All the rich stuffs, wares, jewels, precious stones, gums, pearls, and spices of the Orient found their way into the Genoese warehouses at Constantinople, and from there were distributed to the various marts of Europe. They had trading-places in Spain,³ at Valencia, Barcelona, and Seville, and through Marseilles they were in touch with the great fairs of Champagne and Languedoc.⁴ There was apparently little or nothing in the world that a Genoese merchant could not obtain for a royal customer such as the kings of England proved to be.

In a note at the end of his *History of the Commerce between the Levant and Europe*, Depping goes more particularly into the nature of the commodities in which the Genoese traders dealt. Referring to the annual departure of the Levant fleet from Genoa, he says—

“Les galères emportaient des cargaisons d'huile, de savon, et de fruits, dont une partie était fournie par le royaume de Naples, par la Provence et le Languedoc; les saffrans et les coraux faisaient aussi

¹ Depping, *Hist. du Commerce entre le Levant et l'Europe*, i. 206.

² *Ibid.*, i. 206–210.

³ *Ibid.*, 213–215.

⁴ *Ibid.*, 216.

partie des envois, ainsi que le vif-argent des mines de l'Isbrie. Uzzans¹ donne une liste des marchandises qui se débitaient à Gênes. On y trouve une grande variété d'épices, d'arômes et de drogues du Levant. Par exemple, outre le bois d'aloës fin, cet auteur cite quatre autres sortes d'aloës, savoir, le patico, le solcotrino, le cavallino, le caldamo ; trois espèces de gingembre, savoir, l'ordinaire, le meccchino, et le vert ; huit espèces de sucre, savoir, de Majorque, de Sicile, de Damas, le sucre damasquin de Chypre, le damasquin afatoli' le muzari, le bambilloni, et les sucre d'une, deux à trois cuissons ; quatre espèces de cire, savoir, de Romaine, d'Espagne, de Barbarie et la cire zavorra ; six espèces de mirobolans, qu'il distingue par les noms de cabuli, cietrini, embrici, ballericci, indii, chondici ; deux espèces d'azur, l'outremer et le blue du Magne."

It is as a dealer in precisely these sorts of Eastern spices that Anthony Pessaigne of Genoa first comes to our notice. He is, apparently, the leading partner in a small trading company or fellowship that was composed of himself, his two brothers, Leonard and Manuel, Francis Bachinus, Anthony Usus Maris, and seven others, whose names do not concern us here. Evidently at the king's order, he had sent for a cargo of ginger and raisins, which came with the annual fleet sailing to the West, mainly to Flanders, but which had been stolen from the galley while lying in the port of Sluys, and carried away to Bruges.² That the king's orders were large is evident from the payment Anthony received, for we next read of him being "satisfied" out of the issues of the customs of wool, hides, and wool fells in the port of Boston.³ The issues of the customs in the other ports were at this time, or quite recently had been, in the hands of the Friscobaldi, of Florence.

With a foreigner's characteristic caution, Anthony no doubt began at first in a comparatively small way. But somewhere about this time, in 1310 or 1311, a further extension of trade was undertaken by the Genoese merchants, when, on May 1st, Anthony obtained a safe conduct for one year for himself and his two brothers (Manuel and Leonard), and for Francis Bachinus, king's merchants, whilst *trading throughout the*

¹ *Prattica della Mercatura*, ch. xlvi.

² *Close Rolls*, 1310, Aug. 2, m. 23; and *ibid.*, Oct. 6, m. 21d.

³ *Patent Rolls*, 1311 (5 Ed. II., pt. ii.), Mar. 14, m. 15.

*realm.*¹ Whether this was obtained for the purpose of visiting the great annual fairs of Boston, Stourbridge, Winchester, and other places, where they could both dispose of their Oriental wares, and also purchase cloth or other necessaries for the royal wardrobe,—or whether it was merely to acquaint themselves with the mercantile possibilities of the country, or an *iter* to the great midland and northern abbeys to contract for their wools, or to place mortgages upon the Church lands in exchange for loans of money, or to inquire into the possible profits of the customs revenue in the various ports of Hull, Boston, Yarmouth, Southampton—is in no way revealed to us; but by inference we may assume that some or all of these ends were attained by a year's travel up and down the country.

Upon the fall of the Friscobaldi, in the summer of 1311, Anthony took steps to cut himself clear of their wreck by entering a protest against the sum of £218 13s., in which he was bound to them, being levied on his goods, and taken into the wardrobe, when the king took their possessions into his hands.² A safe conduct granted to the Genoese merchants in the following month indicates they were still busied with the import trade, and that a fresh number of galleys were arriving, carrying their "wares and servants" to this country.³ From this it is not clear whether Anthony was as yet wholly domiciled in this country. But whether he was or not, his fellows and servants came and went between England and Genoa or elsewhere, as it suited his convenience to send them. An entry in the Patent Rolls for January, in the following year, 1312, implies that he wintered here, and indicates the extremely diverse nature of some of his undertakings for the king.⁴

"Grant to Anthony Pessaigne of Genoa, king's merchant, of 400 marks, to be received out of a moiety of the issues of the customs on wools, hides, and wool fells in the port of Southampton, and of 829 marks 13s. out of the issues of the customs of London port, . . . in discharge of a sum of 1229 marks 13s., in which the king is indebted to him, viz.:—£636 0s. 12d. for divers things for the king's use, as

¹ *Pat. Rolls*, 1311, May 1, m. 6.

² *Ibid.*, 1311 (5 Ed. II., pt. ii.), June 28, m. 3. ³ *Ibid.*, 1311, July 20, m. 24.

⁴ *Ibid.*, 1312, Jan. 22 m. 3 (York).

appears by a bill under the seal of Ralph de Stokes, Clerk of the Great Wardrobe; £50 12s. for a sturgeon bought from the said Anthony, as appears from a bill under the seal of Robert Turk, a buyer for the household; and in 200 marks delivered to the king. Mandate to the treasurer and barons of the Exchequer for the delivery to him of the above 400 marks upon their receiving the above bills, and provided that certain securities pledged to him for the same shall in the mean time be kept in safe custody. Assignment as above to Anthony Pessaigne of Genoa, king's merchant, in consideration of his promise to provide necessaries for the wardrobe of the said sum of 829 marks 13s. out of the issues of the port of London."

From this entry it will be noticed that Anthony's undertakings were evidently increasing in magnitude, since, for the first time on record, payment is extended to the issues from two other ports—namely, Southampton and London.

From the crowded entries of this year we learn of Anthony's further undertakings—namely, in the following month, February, 1312, of his advancing a loan¹ to pay the king's debt to Bertrand Caillau, of £333 6s. 8d. for horses bought from him for the king; and for £96 7s. 2d. arrears of wages due to Bertrand and his fellows for the last war in Scotland and elsewhere.

In a Roll of May this year,² Anthony, his brothers, and Francis Bachinus, "who make purveyance for the wardrobe," are exempted for life from all tallages, aids, contributions, and from being put on assizes, juries, etc., or from being made mayors and the like. This rather lends colour to the idea that Anthony did not as yet regard himself as being permanently domiciled in the realm, though, as we know from a later Roll, he possessed a house in London formerly belonging to a prominent city merchant, William Servat. Still, year after year it must have become more and more necessary for him to preside personally over his extended and complicated business transactions; and we know that he received more than one grant of lands from the king.³

A Roll of June 6, 1312,⁴ orders the collectors of the customs at Boston to pay him £166 8s. for the following items:—

¹ *Pat. Rolls*, 1312, Feb. 29, m. 19.

² *Ibid.*, 1312, May 2, m. 6.

³ *Ibid.*, 1314, April 6, m. 15.

⁴ *Close Rolls*, 1312, June 6, m. 3.

£	s.	
40	0	for pearls for the queen.
24	0	paid to order to R. de Wyngefied.
39	10	„ „ W. de la Bech.
19	18	„ „ a queen's yeoman.
35	0	„ „ John Pecok.
8	0	„ „ king's affairs.

Rolls of June¹ and July² in this same year, 1312, show Anthony providing not merely spices and cloth for the wardrobe, but as having undertaken the large business of providing wine for the royal household:—

“To the customers at Boston, to pay Anthony Pessaigne, merchant of Genoa, £708 6s. 8d. for 200 tuns of wine, and £18 for six rayed cloths, and £200 pounds delivered to the king's wardrobe, for the household expenses. They are to deliver to Anthony the second part of the ‘Coket’ in the port of Boston, to have till he is satisfied for the moneys out of the customs there.”

Other articles of various character, which he provided for the king, appear on a bill of January, 1313,³ where a grant is assigned to him, out of the first moneys of the tenth for the current year, of £7380 14s. 11d., in satisfaction of the king's debts to him—viz. for vessels of gold and silver, horses, jewels, and moneys delivered in the sixth year of the king's reign, £6148 11s. 4d.; and for £52 3s. 7d. which he paid at the king's command to Oliver de Burdegala; and £1180 for 400 tuns of wine, taken from him by the king's butler between August 5th and January 5th in the sixth year.

From these entries it will be seen how rapidly Anthony's undertakings had increased, and to what an enormous extent—bearing in mind the relative value of money then and now—the king was indebted to his merchant. But Edward the Second's luxury was notorious, and he had a royal disregard of economy in any department of expenditure. Possibly it was his own personal inability to meet his royal master's imperative demands for money that obliged Anthony to arrange loans for

¹ *Close Rolls*, June 28, 1312, m. 3; and July 21, 1312, m. 31.

² *Pat. Rolls*, July 24 (6 Ed. II., pt. i.), m. 23.

³ *Ibid.*, 1313, Jan. 25, m. 3.

the king with other London merchants, as he did in March, 1313, with William Servat.¹ An entry of May, 1313, shows him appointing one of his fellows to receive the money assigned him from the Boston customs, and to convey it to him in London.² In March, this year, the Bishop of London is directed to pay the tenth, granted by the clergy to the pope, to Anthony; and in the April following all the tenth from Ireland is likewise assigned to him.³ This provision for payment of the king's debt to the Genoese merchant was doubtless made in view of the king's subsequent request for Anthony to negotiate a loan of £20,000, which he, the king, "binds himself to repay."⁴

Meanwhile the collection of the Irish tenth was to be arranged for, and Anthony decided to oversee the matter by one of his own agents; wherefore on the 19th of June, 1313, we get a deed⁵ appointing—

"J. de Monile, clerk, nominated by A. de Pessaigne, at his own risks for the place, to be a chamberlain of the Exchequer of Dublin, so long as his assignment of the issues in Ireland to the said Anthony shall continue."

But notwithstanding all his caution, the collection of this Irish tenth continued to be very difficult and troublesome. In October it had not been paid, and an order was issued to the treasurer and barons of the Exchequer at Dublin, requiring them to compel the collector of the Irish customs to come to the Exchequer and pay what is due to the king from the issues, which have been assigned to Anthony Pessaigne of Genoa, for the king's debt to him. To the issues of the tenth is added the issues of the Archbishopric of Dublin, then vacant.⁶

Other entries from the Patent Rolls for this year are insignificant, except the agreement of July 8, 1313, by which the king binds himself to repay a heavy loan of £15,000, which sum Anthony has bound himself to pay to Ingelram de Maregny

¹ *Pat. Rolls*, 1313 (6 Ed. II, pt. ii.), Mar. 1, m. 15.

² *Ibid.*, 1313, May 3, m. 11.

³ *Close Rolls*, 1313, Mar. 7, m. 11; and *Ibid.*, 1313, April 2, m. 9.

⁴ *Ibid.*, 1313, May 3; and *Pat. Rolls*, 1313, May 4, m. 11.

⁵ *Pat. Rolls*, 1313, June 19, m. 3.

⁶ *Close Rolls*, 1313, Oct. 23, m. 19, and *ibid.*

(or Marny), who lately advanced this sum to the king when in France. Until Anthony is repaid, he is to have the custody of the "coket" in all the ports of the realm.¹ On July 20th following, we meet with another bond for repayment of 1000 marks sterling,² which Anthony had paid for the king to Gilbert de Clare, Earl of Gloucester and Hertford. In the beginning of 1314 Anthony is still receiving moneys from the tenth, though—as we gather from an entry³ reimbursing him in the sum of £200 expended in its collection, which, as the Roll affirms, ought to be at the king's expense—it was a tiresome and difficult business to obtain the money thus assigned. On February 24th, the Bishops of London and Lincoln—the principal collectors of it—were ordered to pay all the money from the tenth in Ireland to Anthony or his attorneys.⁴

Numerous entries relating to Anthony's affairs in this year show his increasing wealth and enterprise, as well as the reliance and confidence placed in him by the king. On the 1st of April he is mentioned as having advanced the king a loan of £15,000.⁵ On April 7th he figures as a great army contractor, employed to provision Berwick.⁶ The day before, he had received a grant of lands from the king; and on the 10th of that month, four days later, he receives a gift of £3000 from the king for his good service.⁷ Two days later the Bardi are mentioned as satisfying him for the king's debt of £230 13s. 7½d., for payments of wages made by him to officers of the household, and—

"£75 for a silver cup with foot, and cover gilt and enamelled, with a silver bowl gilt and enamelled to match the cup, bought for the king's use from him; and in £1027 18s. 4d. for moneys paid by him to Gilbert Clare, Earl of Gloucester and Herts, the king's nephew, and Ingelram de Marny, Chamberlain of the King of France."⁸

On May 7th Anthony is mentioned as conveying £800 from the pope's nuncio, presumably to the king;⁹ and next month we read that he received the privilege for himself and his men

¹ *Pat. Rolls*, 1313, July 8, m. 19.

² *Ibid.*, 1313, July 26, m. 18.

³ *Close Rolls*, 1314, Feb. 20, m. 12.

⁴ *Ibid.*, 1314, Feb. 24, m. 11.

⁵ *Pat. Rolls*, 1314, April 1, m. 16.

⁶ *Close Rolls*, 1314, April 7, m. 8.

⁷ *Pat. Rolls*, 1314, April 10, m. 15.

⁸ *Ibid.*, 1314, April 12, m. 14.

⁹ *Ibid.*, 1314, May 7, m. 9.

of taking two or three deer when passing through the king's forests.¹

Through these minor notices we pass to a very important one—namely, that of November 3, 1314,²—when the king suddenly commanded the treasurer and barons of the Exchequer—

"to audit, as quickly as possible, the account of Anthony de Passaigne of Genoa, for all moneys received by him from the time when he began to serve the king, and of the payments, costs, and expenses made by him out of the same. . . . Having done this, they are to certify the king under Exchequer seal whether Anthony has faithfully served the king or not, and of what sum the king owes him."

Whether this order was merely a trial of Anthony's honest dealing, or a pretext for ridding the king, upon the discovery of any fault, of all further liability, and so of ruining the great Genoese company as the Friscobaldi had previously been ruined; or whether, as seems probable by later events, this was a preliminary winding-up of Anthony's accounts previous to his further employment by the king on his foreign affairs, we cannot certainly ascertain. The last-mentioned hypothesis accords most nearly with the facts as we know them. By a marvellous chance, the audit, dated just twenty-four days later, has been preserved to us in another set of Rolls (the Patent Rolls, 1314), and I make no apology for giving it, with certain abbreviations, more or less in full:—³

Nov. 27, 1314, m. 9.

Acquittance to Anthony Pessaigne, of Genoa, king's merchant, who in his account lately rendered at the Exchequer . . . charged himself in divers sums of money and things which he had received in the name and for the use of the king; . . . no account is to be demanded of him of the undermentioned particulars:—

f. s. d.

8921	2	7	received out of the issues of wool in London, by W. Servat and W. de Tholossa, between 7th April, 6 Ed. II., and 3 Nov., 7 Ed. II.
266	13	4	received out of the Southampton issues;
7189	14	8	" " Boston "

¹ *Pat. Rolls*, 1314, June 14, m. 3.

² *Close Rolls*, 1314, Nov. 3, m. 29.

³ *Pat. Rolls*, 1314, Nov. 27, m. 9.

<i>f</i>	<i>s.</i>	<i>d.</i>	
1000	0	0	received in Southampton issues by W. Servat and the collectors.
66	0	0	out of the issues of the port and town of Yarmouth 8 Aug., 7 Ed. II., to 3 Nov. following.
100	0	0	received at the town of Ipswich for the said time.
32	11	8	, Sandwich , "
100	0	0	, " Newcastle-on-Tyne.
7380	14	11	out of the tenth, for three years, by the hands of the collectors, 25 Jan. 6 Ed. II., to 3 Nov. foll.
20	0	0	received from the late Sheriff of Notts., from the issues of his bailiwick.
290	10	0	from Master Jordan Moraunt and others, late keepers of Archbishopric of Canterbury, being void.
10000	0	0	received from W. Servat and W. de Tholosa, then collectors of the said custom in the port of London, by the hands of Ingelram de Maregny and Tottus Guidy.
4308	0	23d. (sic)	received at Boston from the king's butler, for the 7th and 8th years.
1333	11	11	received from the merchants of the Bardi by a bond.
24298	6	1	received from the treasurer and chamberlains of the Exchequer between 4th April, 7 Ed. II., and All Saints' Day following.
1202	0	0	received out of the issues of Ireland, and of customs there between 16 Nov., 6 Ed. II. and All Souls' Day.
866	13	4	received during the said time out of the tenth for six years then current in Ireland.
756	0	0	received from the late Sheriff of Cornwall, between 24 Nov., 6 Ed. II., and 19 Nov., 8 Ed. II.
25000	0	0	sterling received from the late Pope Clement V. in month of March, 1314, viz.—160,000 gold florins, each florin of value of 3s. 1 $\frac{1}{2}$ d. sterling.
3350	0	0	received in Cornwall out of the coinage and other issues of tin, from 1 Nov., 6 Ed. II., and 19 Nov., 8 Ed. II.
715	15	0	from the Constable of Bordeaux, out of the issues of the customs, between 1 June, 5 Ed. II., and All Saints' Day in 8th year.
500	0	0	received from late treasurer (J. de Sandale) and others.
400	0	0	, " " "
450	0	0	, " " "
1066	13	4	from the same persons who, with the said Anthony de Pessaigne, have bound themselves to the Bishop and Chapter of Norwich in that sum.

£	s.	d.	
1400	0	0	received from the same persons, bound to the Bishop and Chapter of Lincoln in that sum.
200	0	0	from the same, bound to Bp. and Chap. of Ely in like sum.
800	0	0	received from the Pope's Chaplain in the king's name, in 7th year.
300	0	0	received from Abbot of S. Mary's, York, as a loan in 8th year.
600	0	0	received from Bishop of Lincoln by hands of Aymer de Valencia (Earl of Pembroke.)

The mises, payments, and expenses which the said Anthony Pessaigne made by the king's command, and for which he has well and truly accounted in the wardrobe, and received bills of the same wardrobe, amount to the sum of £111,505 15s. 8½d., as appears by a certificate made thereof at the command of the king, by the said treasurer and barons of the Exchequer.

Assuming the purchasing power of money in the fourteenth century to have been at least twelve times greater than that of the like sum at the present day, we must estimate Anthony's transactions during four years to have covered a sum the equivalent of about 1½ millions of our present money.

The other entries in the Patent Rolls for this very day, Nov. 27, 1314, emphasizes the fact that not merely was Anthony honourably acquitted on his audit, but that the king immediately conferred signal marks of favour and confidence upon him, in the first place by allowing him a fresh grant, during pleasure, of the purchase of tin in Cornwall, and the profits accruing from such a pre-emption "both in past times and in future;"¹ and, secondly, by his appointment, together with G. Pecche, Knight, and Master Richard de Plumstock, to be one of the

"king's Proctors for making assignment of issues, rents, revenues, and obventions belonging to the king in the Duchy of Aquitaine—to the Viscount of Lomagne and Auvillars and Marquis of Ancona if he shall lend the king a sum of 60,000 gold florins."²

From a later roll we learn that he went on this occasion to

¹ *Pat. Rolls*, 1314, Nov. 27, m. 12.

² *Ibid.*, 1314, Nov. 27, m. 10.

Avignon, and this in the month of December, when travelling must have been difficult and dangerous.¹

The monopoly of tin was confirmed by a mandate of December 16th, to the Sheriff of Cornwall,² ordering him to pay all the issues of his bailiwick to Anthony without further orders, so that he may buy tin therewith for the king's use.

That Anthony was still serving as a royal merchant appears from an entry for January, 1315,³ where he is mentioned as delivering "a vase and cup set with precious stones which he had bought from the executors of Anthony, Bishop of Durham, for the king's use." In February he is receiving payments of the king's debt to him, both out of the customs at Boston,⁴ and from the Bardi.⁵ He is also twice quoted,⁶ together with other merchants, as standing security, at the king's request, to the prelates and priors for a loan of 10,080 marks.

In May and August, 1315, he is granted sums out of the Boston and Hull issues;⁷ and in September the king's debt to him, having amounted to £7084 15s. 4d., is to be paid out of the tenth from the clergy, the fifteenth from the citizens and burghesses, and other issues. Part of this, at Anthony's request, is to be paid to the Bardi from whom he had borrowed £2884 15s. 4d.⁷

One of the most interesting entries occurs in September, 1315,⁸ when the king writes to Lambus Dore and to—

"the other nobles of the family of Dore, thanking them for their offer to aid the king against the King of Scots with galleys and men at arms. . . . The king will, on account of their offer and of their relationship to his yeoman Anthony de Pessaigne of Genoa, be ready and liberal in all things that may be to their profit."

¹ See *Close Rolls*, 1316, May 10, m. 10, where mention is made of £331, due to Anthony de Pessagne for money paid by him to G. Pecche and Master Richard de Plumstock, going to Avignon in the 8th year, 1314, on the King's service.

² *Ibid.*, 1314, Dec. 20, m. 28.

³ *Pat. Rolls*, 1315, Jan. 7, m. 7.

⁴ *Close Rolls*, 1315, Feb. 6, m. 20; and *ibid.*

⁵ *Pat. Rolls*, 1315, Feb. 6; and April 17, m. 21.

⁶ *Close Rolls*, 1315, May 6, m. 8; and Aug. 5, m. 28; and *ibid.*

⁷ *Ibid.*, 1315, Aug. 15, m. 28; and *Pat. Rolls*, 1315, Sept. 1, m. 23.

⁸ *Close Rolls*, 1315, Sept. 26, m. 24d.

This throws a much stronger light than anything we have yet come across upon the personal history of Anthony de Pessaigne, for it shows him to be connected with one of the proudest and most aristocratic families of Genoa, the Dorias, the great merchant princes whose galleys, led by the admirals of their house in person, swept the Levant, and subdued not merely the Catalans but even the Venetians for a time to their power. It was probably this Lambus Doria who had secured the great naval victory over their rivals off the shores of Dalmatia in 1298.¹

Whether as a reward for his general financial services, or for this particular one in engaging the famous Genoese admirals of his house to assist the king with a fleet of galleys, Anthony, on the 28th of November, 1315,² was knighted by the king, and also received upon that occasion a gift of £3000 "for the more honourable maintenance" of his new estate.

Possibly, with this advancement in dignity, Anthony thought fit to resign his post of purveyor to the household, for an entry of March, 1316, referring to him, at a former date, as "then king's merchant," seems to imply that he was such no longer. It is true that from this time onward, though his name still occasionally appears as a surety³ in some financial transaction or other, he was chiefly employed by the king in diplomatic transactions abroad, where his high family connexions and his knowledge of foreign manners and customs would be of especial service. Nevertheless we know that he continued to make both private and public purchases for the king, and there seems very little difference between Anthony Pessaigne, formerly king's merchant, supplying the personal needs of the sovereign, and Sir Anthony de Pessaigne, the large contractor, serving the political needs of the Crown.

In the following agreement it will be seen how he again used his personal connexion with the maritime power of Genoa, to serve the king:—

¹ Depping, *Hist. du Com.*, i., p. 217.

² *Pat. Rolls*, 1315, Nov. 28, m. 14.

³ *Ibid.*, 1316, Oct. 1, m. 1.

“Dec. 16, m. 36, 1316.

“Agreement between the king and Anthony Pessaigne of Genoa, Knight,—the latter is to purvey for the war with Scotland 17,000 qrs. of wheat at 15s. a qr., and 100 tuns of honey at 10 marks a tun, 2600 tuns of wine at £4 a tun, and 300 pieces of wax at 70s. the hundred; and to deliver them, at his own risk and expense, viz.: one-fourth part at Berwick-upon-Tweed, by midsummer, a second part at Newcastle at the same time, a third part at Skirburnays in the quinzane of midsummer, and the remainder at Berwick by All Saints.

“He is to provide from Genoa five galleys fully equipped and manned by 200 men each, to start from thence by April 1st, and proceed to Ireland to take any victuals provided for the king's use from Divelyn (Dublin) to Skirburnays, and to return to Divelyn by the quinzane of midsummer, receiving for wages and expenses of each galley 250 marks per month. The king shall pay for the same at the same rate if he employ them after the said three months, and shall allow six weeks' expenses for their return; and further he shall pay the said Anthony for the purveyance £4000 on account before Xmas, and £4500 out of the aid of Gascony, after the payment of 5500 marks assigned to him for another debt. And if Anthony Pessaigne be not fully satisfied by mid-lent he shall be quit of further purveyance.”

Only a few days after this agreement was made, we learn that Anthony went “beyond seas in the king's service.”¹ We know from a subsequent roll, that, at some time between the years 1317 and 1319, he was appointed seneschal of Aquitaine.² Probably he was sent there now, or at least took up that office during the year. It is evident, from another entry, that Anthony employed his brother Leonard to execute in person the commission for the galleys, and instructed the king to write to the “abbot, and podesta, and captain of the city of Genoa,” preferring his request.³ This Anthony by his family influence with the Dorias would support through the agency of his brother, who was to present the king's letter, and subsequently bring the galleys away with him.

Whether Anthony was also at Genoa to further this project is not clear. But he was probably not very far away from his native city at this time, as we have reason to believe that, either

¹ *Pat. Rolls*, 1316, Dec. 26, m. 36.

² *Close Rolls*, 1319, June 8, m. 3.

³ *Ibid.*, 1317, Jan. 31, m. 14d.

before or after he had assumed the seneschalship in Aquitaine, he went on a diplomatic mission to the Count of Savoy,¹ and may have been also—as we know he was in the next reign—one of the king's envoys to the Court of Rome.²

At first sight such a service might seem incompatible with the attention Anthony would have to bestow upon the large war contract he had taken up. But, as I have endeavoured to show, family interest, political power, and mercantile adventure were all welded and combined together in the hands and mind of a great merchant like Anthony. His race and origin gave him exceptional opportunities of arranging for the shipment either of fighting galleys of armed men or heavy "dromonds" laden with corn and wine. Part of the wheat, we know, he obtained in Spain,³ where the Genoese, as I have pointed out, had many trading establishments. The wine he probably arranged for in Gascony, where, as seneschal, he would, for the time being, be practically paramount. Without doubt he completed the contract, as there are several entries concerning it. In an order of April, 1317,⁴ Anthony is ordered—

"to deliver the wheat, wine, honey, wax, and spices he has undertaken to purvey, and is bound to deliver, at Newcastle, to Stephen le Blund, the king's receiver of victuals there;" and again, early in the following year, February, 1318,⁵ the king orders the bailiffs of Sandwich "not to exact any custom of the corn, wine, or wax that Anthony Pessaigne of Genoa lately caused to be provided for the king's use in parts beyond the sea and brought to that port."

There are several interesting notices concerning the carriage

¹ *Close Rolls*, 1318, June 24, m. 1. "To the Treasurer—to allow . . . the Steward of Cornwall 2000 marks at the Exchequer, which sum he has paid to Anthony de Pessaigne, because Anthony has undertaken to pay that sum to the Count of Savoy as soon as the count did fealty to the king's envoys to the pope."

² Cf. *Pat. Rolls*, 1332, July 29. "King's indebtedness to the Bardi in sum of £350, paid at his request to Anthony Pessaigne for furtherance of his business in France, Gascony, and at the Court of Rome."

³ *Close Rolls*, 1317, Jan. 31, m. 14d. "To the rulers of Spain, that they will permit the servants of Anthony Pessaigne of Genoa, Knight, to buy and provide up to 1000 rased bushels of wheat in that realm, and to load the same in ships, and carry it away without hindrance, the king having enjoined Anthony to make such provision."

⁴ *Pat. Rolls*, 1317, April 1, m. 19.

⁵ *Close Rolls*, 1318, Feb. 1, m. 12.

of the wheat northwards, which, however, scarcely concern us here.

The next notice I find about Anthony is one in the Rolls for June 8, 1319,¹—

“To the treasurer and barons of the Exchequer, to audit with all speed the account of Anthony Pessaigne of Genoa, of what he received for the king's use during the time when he was seneschal of the Duchy [of Aquitaine], and of what other things he received for the king's use, and to make such allowances to him as ought to be made, and to certify the king after the audit and the allowances have been made, concerning the premises under the Exchequer seal.

“The king has ordered the seneschal of Gascony and the marshal of Bordeaux to inform themselves of all and singular things that Anthony received in the Duchy, as well wines as in money and other things whatsoever of the issues of the Duchy, the subsidies granted in the same and other things whatsoever received in the king's name, and for the king's use, and to certify the treasurer and barons concerning the same before Michaelmas under the seal of the Duchy, in order that they may proceed the more advisedly to audit the aforesaid account.”

For a period of ten years from this time nothing is recorded bearing upon Anthony's history or transactions, unless we consider occasional references to the shipment of the corn to Berwick and Newcastle as personal notices. How far Anthony was concerned in the political troubles of the last years of Edward II. we have no means of ascertaining. Possibly he remained abroad, either on his own private affairs or on the king's service. Meanwhile his credit, so far from having diminished, had increased, for the first notice we get of him in the new reign is concerning a loan of £50,000 which he was to negotiate in the king's name.² The most curious and interesting fact about his career is that he rose to even greater favour under the third Edward than he had attained to even under the young king's father. Perhaps Anthony had rendered the young king some personal services at a very difficult and trying period; or perhaps Edward III. admired Anthony for his long and faithful service to his father.

¹ *Close Rolls*, 1319, June 8, m. 3.

² *Pat. Rolls*, 1331, March 14. (*Pat. Rolls*, vi, p. 98.)

Of this last theory he at least gave practical proof, by paying his father's heavy debts to Anthony. As early as March, 1331, according to the Patent Rolls,¹ we find a—

"Grant to Anthony Pessaigne of Genoa, on his surrendering in Chancery the bills amounting to £8201 8s. 6d., which debt William de Monte Acuto has by the king's command satisfied £2000. But he shall receive the balance by payments of £1000 out of the first issues of Ponthieu, and £600 yearly out of the coinage of tin in the counties of Devon and Cornwall."

There is another reference to this debt in the Close Rolls² of September, as also in a Patent Roll of October 15th,³ where it is still referred to as a bill of £8201 8s. 6d. But in a Patent Roll of October 16th,⁴ the day following, we read further particulars of this debt, which are as follows:—

"Grant to the said Anthony, reciting that the late king was bound to him as above, namely in £5288 0s. 22d. (sic) as well for purveyance of corn and wine made by him for the Household and Army in the war of Scotland, in the 10th year of the said king, and £2853 6s. 8d. paid by mandate under the privy seal, to Aymer de Valencia, Earl of Pembroke, for the fixed sum he received for his stay with the said king, and to Henry de Cantuaris Clerk, for his expenses going to Gascony on the king's service, in the 11th year of his reign, being £14,266 13s. 4d. reckoned at five coins of Tours to one of Sterling, as appears by two bills . . . shown by Anthony in Chancery and afterwards delivered to the Exchequer, . . . that, of the said sum of £8141 8s. 6d. he had been satisfied at £2000 paid by the hands of William de Monte Acuto; that assignments had been made him of £1000 of the issues of Ponthieu and Aquitaine; and that he had assigned £1500 to Elizabeth de Burgo as above, and that he is to receive the balance of £2641 8s. 6d. out of the first issues of the County of Cornwall, by instalments of 500 marks, payable at mid-summer and Allsaints in each year till the whole is satisfied."

On the 28th of November—a memorable date to Anthony—the king gave signal proof of his esteem and confidence in the great Genoese merchant by appointing him to an important diplomatic service as one of a commission of special envoys to the King of France. The entry runs as follows:—

¹ *Pat. Rolls*, 1331, March 27, m. 16.

² *Pat. Rolls*, 1331, Oct. 15, m. 18.

³ *Close Rolls*, 1331, Sept. 8.

⁴ *Ibid.*, 1331, Oct. 16, m. 18.

"Appointment of John Bishop of Winchester, Chancellor, Henry de Bello Monte, the king's kinsman, William de Monte Acuto, and Anthony Pessaigne, Knights, and Master John de Shordich, professor of Civil Law, to be proctors and special messengers of the king to treat with Philip, King of France, or his deputies, touching a journey to the Holy Land and other matters relating to that Land. The like to arrange for a meeting between the two kings in France, to make alliance. The like to treat for a marriage between Edward, Earl of Chester, the king's first-born son, and Joan, daughter of the King of France."

That Anthony, in accepting this diplomatic service, had not altogether resigned his mercantile capacity is evident from our knowledge of the fact that he bought jewels to the value of £322 19s. for the king during this stay in France.¹ He probably returned early in 1332, and was immediately sent abroad again by the king, as, on April 3, 1332, we get a grant of letters appointing attorneys for one year to Anthony Pessaigne of Genoa "going beyond seas."² The day before this, the Bardi are required to make a grant, at the king's request, of 200 marks to Anthony de Pessaigne, for expenses in going to the Court of Rome on the king's business.³

On the 8th of April an order is directed to the receiver of the issues of Ponthieu, assigning £58 to Anthony—

"who was lately sent in the king's service and by his order as envoy to the King of France, as the king owes him this sum, for his expenses for the said journey."⁴

Anthony evidently returned in the late spring or early summer of 1332, as in June we read of him executing a highly important personal order from the king.

"*Memorandum* : that on the 23rd of June, to wit Tuesday the eve of midsummer, Sir Anthony de Pessaigne, Knight, delivered a writ of the king under the Privy Seal, in a chamber at the Exchequer at Westminster, where the council is commonly held, directed to them,

¹ Cf. *Pat. Rolls*, 1332, Feb. 19, m. 20. "Grant to the Bardi, . . . £322 10s. paid to Anthony Pessaigne for jewels bought for the king in France." *Close Rolls*, 1332, Feb. 19, m. 34, *ibid.*

² *Pat. Rolls*, 1332, April 3, m. 9.

³ *Close Rolls*, 1332, April 8, m. 29.

⁴ *Ibid.*, 1332, April 2, m. 9.

containing, among other things, that the keepers should deliver the Great Seal to him whom the Bishop of Winchester, then chancellor, . . . (should ordain), to be kept during the chancellor's absence ; and Anthony also delivered to the keepers the letters patent of the bishop under his seal, appointing Master Roland de Stratford, his brother, to keep the aforesaid seal, and ordered the keepers to deliver the seal to Robert, to be keeper as aforesaid. Master Hy. de Clif, and Sir Henry de Edestowe and Thomas de Baumburgh, then keepers of the seal, delivered it enclosed in a bag under their seals to Robert, in the presence of Master Roland de Ayleston, Archdeacon of Berks, the treasurer, and of Sir Hy. le Scrop, Geoffrey le Scrop, the said Anthony and others.”¹

An entry for the following month shows that Anthony was again employed by the king on important foreign service. Thus, on July 6th, the king required transcripts of certain memoranda touching the Duchy (of Aquitaine) to be prepared with all possible speed, in order that they may be explained to Anthony Pessaigne, Knight, and Master John de Shordich, Clerk, whom the king has sent to the said parts.²

How high in the king's favour and confidence Anthony stood is further shown by a later reference in the same month :—

“ To the King of Portugal—commending to his favour Manuel de Pessaigne, his admiral, and Charles his son and his other children, as Anthony de Pessaigne, *the King's Knight and Councillor*, brother of the said Manuel, has informed the king how Alfonso has honoured Manuel and his children out of consideration for the king.”³

Three days later we get an entry in the Patent Rolls, previously referred to, mentioning a payment made to Anthony by the Bardi at the king's request, of £350 “ for the furtherance of his business in France, Gascony, and the Court of Rome.”⁴

At some period between this year and 1338, Anthony appears to have attended the king in person, on an expedition to France or Flanders, as an entry of April, 1338, orders the Bardi to pay him £300 “ upon his wages in going in the king's company beyond the sea.”⁵

¹ *Close Rolls*, 1332, June 25, m. 22d.

² *Ibid.*, 1332, July 6, m. 18d.

³ *Ibid.*, 1332, July 24, m. 19d.

⁴ *Pat. Rolls*, 1332, July 29, m. 17.

⁵ *Close Rolls*, 1338, April 3, m. 16.

Payments were also still being made to Anthony through the Bardi, either for the king's own debt to him, or for the debts of Edward II., before mentioned. Thus, in May of this year, the collectors at Southampton are mentioned as having paid him £1000 for the Bardi, in part satisfaction of £814l 8s. 6d. in which the king was bound to him.

Anthony's name occurs for the last time to my knowledge on a roll of the following year, in October, 1339, merely in connexion with a deed whereby he is mentioned as assigning £1500 to Elizabeth de Burgo.

Whether he had now retired to Genoa, or was abroad serving the king, I have not been able to discover. He must by now have been considerably advanced in years, for, supposing him to have been at least thirty years of age when he is first mentioned in 1310 as the king's merchant, he would now be close upon sixty. It is probable that he was older than this, but in any case his devoted service of thirty consecutive years is one that cannot be paralleled in the history of any merchant, native or alien, in the fourteenth, or, perhaps, in any other century.

The career of Anthony de Pessaigne of Genoa affords a very happy and striking illustration of the close relations that existed in the fourteenth century between the great merchants and the Crown. In the absence of more competent officers they appear to have executed almost any service the king required. They catered with equal zeal for the king's army or for the royal kitchen. No contract came amiss to them, and no personal honours conferred upon them caused them to be so lost in the contemplation of their own dignity as to neglect the service of the master who had preferred them. Anthony, as we have seen, received knighthood, and high office abroad: but while he was employed on important diplomatic service at foreign courts, he never forgot that he was also the king's merchant; in one capacity he presents the royal letters, in the other he purchases corn, wine, honey, or jewels for the king. It was this *pliability*, this happy combination of the tact and address of the courtier with the shrewdness and suavity of the

merchant, that made such a man as Anthony de Pessaigne an invaluable servant of the Crown.

From the little personal evidence that we possess, we are not justified in assuming anything as regards Anthony's character. All that we can reasonably infer is that he was a skilful diplomatist, a clever financier, and an exceptionally successful merchant. Yet when we remember the popular hatred and the ruin that almost invariably pursued the unscrupulous alien merchants who financed the Crown, certain inferences are legitimately deducible: either that Anthony had a fortunate escape, or that his methods were more equitable than those of the Friscobaldi who preceded and the Bardi and Peruzzi who followed him. It is certain that he was the most esteemed of all the foreign merchants who served the Crown, and it is pleasing to venture to suppose that the honour and prosperity to which he attained were the reward of his noble personality, and the integrity of his commercial methods.

Alice Law.

NOTES AND MEMORANDA.

THE OPERATION OF THE LIVERPOOL BYE-LAWS REGULATING STREET TRADING BY CHILDREN.—It is now just a hundred years since here in England the State began to make regulations as to the employment of children. Such regulations now extend to all organized industries, but the casual employment of children is still for the most part uncontrolled. Those who are interested in the question will be familiar with the *Report of the Interdepartmental Committee on the Employment of School Children*, presided over by Mr. Cunynghame (1901, cd. 849), in which the effect of some five hundred pages of weighty evidence is expressed in a terse and organic summary of twenty-five pages. In that Report the employment of children is classified under seven heads—viz. factory, mines, shop, domestic, agricultural, street, and miscellaneous. Of street trading it is said that “there is no evidence that it is generally injurious to health. Its most serious aspect is its effect on character. . . . It is carried on by a worse class of children and under worse moral influences than any other ; it is especially detrimental to young girls, and in large centres of population requires special treatment.”

Liverpool has long held the view here expressed, and three years ago obtained special parliamentary powers to prevent boys under fourteen and girls under sixteen from trading in the street unless licensed to do so ; these powers will shortly be extended to boys of sixteen. A detailed account of the Liverpool regulations, made in April, 1899, was contributed by me to the *Economic Review* for October, 1899, and I am now asked to give some account of their operation.

In the first place, it appears that the problem of street trading in Liverpool, as probably elsewhere, is in substance only one aspect of the problem which is eternally presented by poverty—poverty of mind, body, and estate ; it is moreover one of its most difficult aspects, for whereas the poorest homes stand in greatest need of a child's earnings, so also the children of such homes are already most handicapped in the race of life. The children concerned are mostly children

of casual labourers, and it is only by great efforts that they themselves may occasionally be saved from becoming casual labourers also.

In these circumstances, the attention of any committee dealing with street trading is naturally directed to two objectives ; first, to secure the best obtainable conditions for the development of the child's character and education ; and, secondly, to interfere as little as possible with the child's earning power.

Dealing with the latter point first, it may be observed that whereas between June 1, 1899, and December 31, 1901, 1401 licences were granted (including 248 granted to children above the age at which a licence is required by law, and called voluntary licences), the number held on December 31, 1901, was 534, including only 68 voluntary cases. This disproportionate falling off in the number of voluntary licences seems to indicate that the business which a licence and badge attracts does not compensate for the restrictions which the licence imposes. The prohibition of trade in public-houses is probably that which is most seriously felt.

Passing now to the beneficial aspects of the case, the Liverpool regulations are directed to the following ends—

1. *To prevent children trading in the streets without a licence*, so that none may trade except under the conditions prescribed by the licence. The penalty for trading without a licence is that the child may be sent to an industrial school, or into other proper custody, and the parent or guardian of the child may be fined twenty shillings. Power to fine the child ten shillings is also given by the new Liverpool Corporation Bill which has just passed committee. This Bill also expressly provides that the corporation bye-laws may make conditions as to the age and sex of children to whom licences may be granted, but not as to the character or position in life of such children.

Between June 1, 1899, and December 31, 1901, 269 children were arrested for trading without a licence, of whom 38 were sent to industrial schools ; over 100 fines have been inflicted on parents. The number of arrests necessary constantly decreases, and the streets are rapidly becoming free from children under the prescribed age trading without a licence. In the course of this process it is certain that many boys and more girls are altogether driven off the streets. What becomes of them it is impossible to say, but it is reasonable to believe that the occupation which they are thus obliged to adopt is less demoralizing than street trading.

2. *To secure that licensed street traders shall attend school as regulated by law*. Up to date, about two hundred and fifty cases have been reported for trading in school hours ; in such cases the licence is

occasionally suspended or revoked, but generally only a caution is given. On the whole, school attendance has greatly benefited by the discipline exercised through the licence ; this is especially the case of late, the school board having become prompt in reporting cases of absence from school to the licensing committee. Mr. Burke, a well-informed member of the committee, has pointed out the benefit which would accrue to children legally exempt from attending school if they could be made, as a condition of their licence, to continue their education. At present probably none of the street-trading children attend evening continuation classes ; it would, in fact, be very difficult for them to do so.

3. *To secure the good behaviour of the children while trading*—that is, to prevent begging, gambling, obstructing foot-walks, trading in public-houses or late at night, and so forth. Since June, 1899, some five hundred cases have been reported and dealt with under this head, mostly cases of trading after hours. Having regard to the class of children employed in street trading, their discipline is very fair and certainly much improved. The effective, and for the most part sympathetic, contact established in early youth between the children of the lowest class and the forces of social order is felt by those most experienced to be full of benefit and promise.

4. *To secure that the children shall be properly clothed and lodged*
This is the most difficult problem with which the committee is confronted. The bye-laws provide that "no licensed child shall trade in the streets unless decently and sufficiently clothed." The difficulty of enforcing this regulation against very poor children has been very great. Power for the corporation to contribute money towards clothing the licensed children is given by the Bill which has just passed committee in Parliament, but no such power was contained in the Act of 1898. Experience is therefore limited to the administration of a sum of money generously given by a member of the watch committee to assist the clothing of the children. Uniforms were carefully selected, and ordered at a cost of 14s. 6d. each. Fifty-four of these were issued to children on the understanding that they should be paid for. Out of £39 3s. thus due, £15 19s. was actually paid, £7 5s. being collected through newspaper proprietors who were assisting the committee, and £8 14s. being paid by the children direct. In obtaining parliamentary power to contribute towards clothing children, it does not seem to be the intention of the Corporation either to offer clothing as an inducement to children to go on the streets, or to supply clothes as a form of outdoor relief. It appears rather, from the *Report of the Sub-committee on Children trading in the Street*, dated March,

1901, upon which the corporation proceeded to take action, that the intention is as follows. The children are to be properly clothed, the corporation supplying clothing if necessary ; every means and every endeavour is to be made to recover the cost of the clothing from the children ; but the corporation is empowered to make good any inevitable loss.

Lastly as to lodgings. The local Act of 1898 empowered and required the corporation to provide suitable lodgings, and authorized magistrates to commit children to such lodgings if found trading without licence or contrary to the licensed conditions. Accommodation for one hundred and fifty children was thereupon provided by the corporation, but it has only been used by about a dozen children. If the magistrates consider it necessary to remove a child from the custody of its parents, it is generally found best to commit the child at once to an ordinary industrial school. The new Bill, accordingly, does not require the corporation to provide lodging, but merely authorizes contribution towards the board and lodging of children, if the corporation in its discretion should think well to do so.

In conclusion, one may observe that the power given to the corporation to contribute towards the clothing, board, and lodging of licensed children is in principle a power to administer poor relief out of city funds, and so opens up a question of profound importance which it would be beyond the scope of this paper to review.

CHALONER DOWDALL.

THE CO-OPERATIVE CONGRESS.—By general consent, the Co-operative Congress of 1902 was a distinct success. The delegates were crowded into a dark theatre, divided from each other in the manner of such buildings, the consequent inconveniences being obvious. Unlike the Trade Union Congress, the delegates are not provided with tables and writing-materials. The size of the gathering almost makes this impossible, and the result is that the Co-operative Congress is just a huge public meeting, with the business of a conference to transact, which sits during three days. For over eleven hundred people to conduct themselves in such an orderly way as to carry on debates on controversial questions in a creditable fashion is no mean feat, and one which it is by no means certain that the House of Commons would be able to accomplish. During the whole time of the congress there was nothing approaching what the reporters call “a scene,” and scarcely a remark was uttered that would not have passed the censorship of Mr. Speaker. This excellent behaviour of

the co-operative delegates is at once a tribute to the movement to which they belong, and encouraging to those of us who have faith in the democratic principle. From some little experience of working-class gatherings, I have come to the conclusion that co-operation has produced the highest type of delegate, the one most capable of self-restraint, and the least inclined to lose grip of hard facts and vital principles. That is not saying that the Co-operative Congress is so perfect that you can safely turn it into a committee to discuss details, or, indeed, that it is possible to get it to debate thoroughly an important subject. Its size and make-up—to say nothing of the inconvenient places it frequently has to meet in—render this impossible. Still, by any method of fair comparison with similar bodies, the Co-operative Congress occupies a proud position. It is clear that the training which the store committees give the thousands of workmen who have passed through them has not been in vain, and that co-operation, in making men thrifty and business-like, has evolved a better type of citizen. This is a side of the movement which cannot be put into a balance-sheet, and for that reason is often ignored, but it is one of its most valuable assets.

Without in the least degree seeking to qualify my praise of the delegates' conduct, candour compels me to say that much of the success of the Congress was due to the chairman, Mr. George Hawkins. From the first word he uttered in returning thanks for his election to his farewell sentence, he never made a false move. The hyper-critic would be able to point out here and there theoretical mistakes, but the very making of them was but a proof of the chairman's fitness for his post. Mr. Hawkins took no wild flights or assumed superior airs, nor did he fall into the error—the only one some of us feared—of playing too hard the part of the practical man, only eager to get on with business. In fact, so well did Mr. Hawkins handle the Congress that it raises the question of a permanent chairman—the creation of a kind of Speakership. If the gathering is to remain as large as it is, or become even larger, it is only by having a strong and competent chairman, thoroughly acquainted with men and things in the co-operative world, that the Congress will be able to do its proper work effectively. So long as the delegates possessed the power of annual election, there is much to be said for setting apart a man for the chair, around which would grow honourable traditions of scrupulous fair-play and impartiality—the surest safeguard against the abuse of one-man authority. At any rate, the freedom from interference of the official ring, which was so marked a feature of Mr. Hawkins's chairmanship, makes some of us loath to leave the filling of the chair to chance

or favouritism, or, what is still more likely, to the desire to honour some worthy but entirely unfitted co-operative leader in a particular district.

The presidential address was brief and to the point. Though a Co-operative Wholesale Society director, Mr. Hawkins was chivalrous in his references to the co-partnership societies, which was much appreciated by those of us who adhere to the root principles of the Christian Socialist school. But in one particular Mr. Hawkins signally failed to do even the barest justice to a section of co-operators. In his review of the progress which had been made in various branches of the movement, he had not a word to say of the marvellous work which Mr. Horace Plunkett and his colleagues are doing in Ireland. It is to be hoped that this omission was purely accidental; but, whether it was or not, it certainly robbed the presidential address of its most striking figures, and it recorded no triumph of deeper importance. One regrets this silence all the more because the Irish chapter in the history of the Co-operative Wholesale Society seems to many of us too often sadly lacking in appreciation, and even keen perception, of the inner significance of the effort to build up in Ireland, by Irish brains and hands, a truly co-operative industry.

The Co-operative Congress is always rich in statistics, and this year's report was laden with them. Beyond this comparative summary, these notes will not permit of their reproduction:—

		1900.		1901.
Number of societies	.. .. .. ..	1634	..	1648
" societies to which the figures relate	.. .. .. ..	1602	..	1604
" members	.. .. .. ..	1,827,653	..	1,919,555
		<i>z</i>		<i>z</i>
Shares	.. .. .. ..	23,103,729	..	24,595,706
Sales	.. .. .. ..	77,276,858	..	81,782,949
Profits	.. .. .. ..	8,573,800	..	9,099,412
Investments	.. .. .. ..	14,216,932	..	15,577,863

Though these figures, magnificent as they are, do not give a guarantee of the purity of the co-operative faith of which they are the outward embodiment, they do set at rest any doubt as to the permanent place of co-operation in our social system. There was a commendable absence of mere vain boasting, nor was there any tendency to worship at the shrine of the vulgar god, Bigness. No greater danger can face co-operators than a feeling that these massive figures of trade express the final word of their faith, instead of simply the rough means to an end. The Congress showed no signs of falling into this fatal frame of mind.

This alertness to the need of keeping the movement to its original

lines came out in the debate on the cash system of purchases at the stores. It has become almost a tradition that credit and co-operation were entirely alien the one to the other, but, unfortunately, it is but a tradition. In the report were these ugly figures :—

	Societies.				Giving credit.		Not giving credit.	
England and Wales	1346	..	936	..	369
Scotland	310	..	259	..
Ireland	161	..	127	..
								21
							1817	1322
								441

Such statistics as these dispose, in a summary fashion, of the claim that co-operation is exclusively a cash system of trading. Looked at from a purely business point of view, the figures given above are not at all serious. For example, the percentage of bad debts made by these credit stores is too small to be of any moment. Then, in many instances cash payments are the general rule and credit only the exception, the coal and furniture departments being often the only or main sphere of the operation of the latter. Thus it would be quite contrary to the facts to put down the 1322 stores which are described as giving credit as doing little or no cash trade, the exact opposite being the truth in probably the majority of them. The limitations are of such a kind as to remove from the category of book debts, as understood by the ordinary tradesman, a good deal of what is rightly included under that head in the report. But the all-important thing to bear in mind is that the co-operative store cannot shelter itself behind private business methods. It stands for something more, or else it has no justification for existing at all. That was the view which prevailed at Congress, and it would not tolerate flimsy excuses, but declared boldly for the cash system. True thrift teaches a workman's wife, in the ordinary course of things, that what she cannot pay for she ought not to get on credit. When she leaves that straight line her domestic economy is in danger of becoming violently disturbed.

Another instructive debate was that on house building. The societies are doing something towards providing healthy homes for their members, though they might pay a little more attention to the artistic side of this question, and, what is more important, to the land space on which houses are built. Of course these matters do not lend themselves easily to practical treatment, but it is desirable that the desire for something better than the ugliness and monotony of the long rows of houses which disfigure our towns in the working-class districts should be cultivated. It is now too often non-existent, and whilst that is so there is no hope of better things. The most significant point in

the discussion was the admission that the private ownership of houses was more popular than the tenancy of them. Almost every speaker seemed to take it for granted that the proper method was for the co-operative society to be the landlord, but confessed that in practice the members preferred to own their houses, and it was generally agreed that more care was exercised when this was the case. Strangely enough, the middle alternative of selling the houses and retaining the land in the hands of the societies did not find any expression. The moral of it all seemed to be that there is much virtue in possession ; it is still a strong motive power, and co-operation would be ill-advised to set itself, in obedience to the doctrinaires, to uproot it. For co-operative societies the housing problem varies in different districts. Where employment is regular and settled a man may safely buy his house ; in other parts labour is more migratory, and tenancy is the only thing open to him. Co-operators must meet both cases. They need not trouble themselves about how their building schemes will fit in with the millennium. It is sufficient for them to realize that every house which is erected tends to lower rents, and the rest may well be left to the free play of economic and political forces.

Amongst other matters of supreme concern to co-operation which were discussed was that of commercial corruption. There was some plain speaking, and, though some of the delegates resented the idea that the vile thing had invaded the domains of their co-operative Israel, the Congress carried unanimously a resolution in favour of strengthening the law against corruption. The most disquieting sign is the fact that committees are not free from it. Here, again, it is no argument to plead that corruption is not so bad inside co-operation as outside. Co-operators profess to be social reformers, and they must be judged as such. At all costs, the movement must be purged of this evil. Adequate salaries to officials is one step in the right direction but it is not the only one. The Congress did its duty, and ranged itself on the side of commercial integrity.

Two other subjects remain to be mentioned—the Education Bill and the Bread Tax. Of the first it is only necessary to say that the feeling against the measure was overwhelming. If proof were needed of this, it is furnished by the easy way in which the suspension of the standing orders was carried in order that a brief but entirely condemnatory resolution should be substituted for the long and slightly apologetic official motion on the agenda-paper. It is always difficult to upset the regular business of a large congress, but the antagonism to the Bill was so intense that all the usual prejudices in favour of law and order were swept aside. The two dominant notes in the opposition were the

defence of the democratic School Board system and the rooted objection to the extension of denominationalism. The delegates were intensely desirous for improved education, but they sought it through the nation and not the sects. Whatever views one may hold on the question, it is the fact that the uncompromising hostility to the Education Bill on the part of the overwhelming majority of the Co-operative Congress was clear and emphatic.

The same with the tax on corn. It was condemned on two grounds —its incidence and its Protective character. Co-operators are Free Traders, and any departure from the principles of Cobden was stoutly resisted. This made itself felt, not only with reference to the impost on bread-stuffs, but also in relation to the importation of cattle and the action of the Government with respect to sugar bounties. There was a fine humanitarian note of sympathy with that class, all too large, which, in spite of the higher general standard of comfort, remain largely untouched by it. These are the people whose total incomes are not sufficient to provide the necessaries of life for their families and themselves, even though their expenditure does not include a penny for intoxicants. Canon Scott Holland described the tax on the bread of these *Uitlanders* of our civilization as a mean one, and so said the Co-operative Congress. But it is also a dangerous tampering with the great Free Trade system, and this the delegates added to their indictment of the unjust and impolitic tax on the principal food of the people.

F. MADDISON.

TRADE UNIONS.—The Parliamentary Committee of the Trade Union Congress has issued a pamphlet which puts in very clear and succinct fashion the demands of trade unionists at the present juncture. There are two paramount questions. First, the law as regards picketing is in a very confused state. On April 19, a decision was given at Manchester mulcting the Joiners' Union in the sum of £100 and costs for the exercise of undue influence in respect to a member who had "ratted," whilst in previous actions judges have frankly admitted that trade unions have somewhat exceptional powers in respect to influencing their members, and even non-members. The second question is even more important. It refers directly to the recent far-reaching decision in the Taff Vale case, which appears to make the trade unions responsible, so far as their funds are concerned, for the actions of members.

As regards picketing, there has been considerable discussion in

recent months, and the deputation which Sir Charles Dilke introduced the other day to Lord James of Hereford and Mr. Ritchie, has contributed in no small degree to the elucidation of this thorny subject. The various speakers urged that "peaceable persuasion" should not be regarded as a criminal act. Lord James pointed out that, apart from the special enactments dealing with trade unions, the common law of the country protects the liberty of the subject in a somewhat extensive fashion. In this light, we have to ascertain precisely to what extent the representatives of trade unions claim that picketing should be permissible. To this we get a very clear answer. Intimidation as defined by Sir Charles Dilke, "watching and besetting," is clearly illegal. But there is a certain element of reason in the claim that it should not be penal for trade unionists at a time of strike to approach the men who refuse to strike with a view to persuading them, or at least to enlightening them as to the issue in question at the moment. "What we want is that while we are giving information (to non-strikers) we can peaceably persuade workmen not to take our situation. There is the distinction that it is lawful to impart information, and men on strike cannot see why when they are there they cannot use their influence with their fellow-workmen." Here we meet a very fine line indeed. The power in question would not always be in the hands of very prudent persons. When passions are aroused, and there is keen interest in the issue, and bread and butter is at stake, are we to expect the average picket to be able to restrain himself within the bounds of "peaceable persuasion"? To this the trade unionists would at once reply that they themselves are so anxious to prevent improper intimidation, threats, and the exercise of physical force, that they are quite ready to help the law in this particular, provided that the law protects them in the exercise of "peaceable persuasion." The agents of the trade unions, they say, are never instructed to do anything forbidden by common law. Quite so; but are the agents always quite capable of interpreting common law? Evidently not, since one of the speakers claims that trade unions should not be liable for the acts of "indiscreet persons acting on their behalf." And in any reform of the law as regards picketing, it must be remembered that the "peaceable persuasion" will, in any case, be in the hands of free lances who are not strictly agents, but are acting in the interests, as they understand it, of the trade unions.

The question is very thorny, but it is at any rate a contribution to its solution that the official representatives of trade unions should formally declare that they will be satisfied with the legalization of "peaceable persuasion," and the stringent punishment of all that

exceeds this. The old compromise of 1875 possibly meditated some such limit, but it is notorious that it was often violated ; and in the Taff Vale case, which has given rise to the present discussion, it is doubtful if "peaceable persuasion" is an accurate description of the methods which were adopted. A case is now pending where an employer is seeking heavy damages at common law against a trade union merely for peaceably persuading his workmen to abstain from work. This is an advance on the Taff Vale case, and it is profoundly interesting at the present juncture, for on the decision hangs the whole case for "picketing." In the Manchester case a joiner obtained damages against the union for insisting, under threat of a strike, that he should be dismissed. Whatever reform in statute law may be effected, one thing is clear. It will be extremely difficult to apply it to specific cases. Persuasion ranges perilously near to threat, and when men are angry, who can draw the line ?

In respect to the funds of trade unions, an authoritative opinion has been obtained from three eminent counsel, and this has resulted in a curious proposal. It is suggested that each trade union should have a company, registered under the Companies Acts, and that this company should control the finance of the trade union. This will at least secure the sick and benefit money from confiscation in case an action for damages goes against the trade union. It is to hold these moneys that the separate company will be established, though it will also have power to hand over spare funds to the trade union for "other purposes." Now, the companies are not to consist of the same members as the trade unions, so that they would not be actionable for the deeds of the latter. Hence the proposal to protect the funds of the trade unions will result in the establishment of a separate organization, which will be able to withstand actions at law by pleading that it is not connected with, nor interested in, the acts of the trade union. The legal opinion is very emphatic that even if the trade union contributed to the funds of the company, the latter could not be sued. In spite of the exalted legal opinion which has approved of this scheme, it is extremely doubtful if the common sense of the country will allow a legal fiction of a "company" to hold the funds of the trade union, and yet have no responsibility for its acts. However, this is the demand of the trade unionists in respect to the protection of their funds, and before very long we shall have to face it in the more tangible form of suggested legislation.

JOHN GARRETT LEIGH.

RURAL HOUSING.¹—The housing of the poor in country districts was made the subject of a conference initiated by the National Union of Women Workers last October. The resolution adopted by the meeting did not consist of any specific plan of reform, but proposed the formation of a provisional committee which should consider methods in detail. Meanwhile the subject was thoroughly discussed, and its importance can hardly be exaggerated.

The evils in the present conditions of village accommodation for labourers are well known. In many instances there is not a sufficient number of cottages, and the natural consequence is that labourers flock to the already over-crowded cities. Also, in spite of legislation on the point, sanitation is often defective, the water-supply bad, and repairs neglected. The various speakers called attention to these facts, and suggested practical remedies for them. Each emphasized some special part of the subject. Miss Cochrane pointed out the difficulty of showing up abuses in country districts where all are known to each other. Mrs. Cadbury dwelt most upon over-crowding, with its disastrous effects on physique and morals. Dr. Willoughby urged the necessity of pure water supply. Mr. Bolton King and Miss Escombe gave most interesting accounts of experiments in cottage-building. Dr. Fry, as a member of the Christian Social Union, advised the awakening of the public conscience.

Though several speakers mentioned defects in existing legislation, all agreed that the best course at present is to make better use of such laws as there are, and, above all, to further cottage-building by means of public bodies, rather than of individuals. Reform in this direction would strike at the very root of social distress in this country. It would lead not only to the relief of populous towns and to the improvement of village life ; but also to the revival of agricultural interests, and thus to a healthier tone of national industry.

It is to be hoped that this movement will meet with success, in spite of much difficulty and discouragement. Its inauguration by the National Union of Women Workers is a further proof of the breadth of that society, which numbers among its members many women eminent in social effort, and whose chief object is "to promote the social, civil, moral, and religious welfare of women." People complain of the number and variety of philanthropic societies, and doubtless they do tend to become bewildering ; but this is only the inevitable

¹ *Rural Housing.* A Conference held in Sion College, London, Oct. 30, 1901. [21 pp. King, London, 1901.]

Occasional Paper, No. 22. [The National Union of Women Workers, 59, Berners Street, W.]

outcome of the complexity of modern social conditions ; and, through their various forms of effort, the best kind of work is being done.

M. W. MIDDLETON.

COBDEN CLUB PUBLICATIONS.—The leaflet on the *Bread Tax* (No. 130) issued by the committee of the Cobden Club, and signed by the chairman, Lord Welby, together with the leaflet (No. 132) signed by Mr. Cox, the secretary, succeed, as it seems to me, in disposing of the current contention that the incidence of the corn duty on the resources of the poor will be of a merely nominal character. The product of the duty, as estimated by the Chancellor of the Exchequer, will be £2,650,000 ; but to this, the committee argue, must be added the increase to the consumer in the price of home-grown grain, and the total charge thus imposed on the public cannot be less than £4,000,000. Mr. Cox points out further, what is indeed obvious enough, that the bakers must add to the price of bread not only the amount of the tax, but also the amount of their profits upon it as well as the profits of the importers and dealers. Thus, the tax will mean, even when things have settled down, an increase of $\frac{1}{4}d.$ per lb. in the price of the four-pound loaf ; and while the well-to-do classes are crying out at the additional penny in the pound on their incomes, many of the poorest families of the wage-earning classes will have to bear additional taxation to the amount of $4d.$ or even $5d.$ in the pound on the amount of their already miserably inadequate pittances.

In these circumstances it may seem at first somewhat surprising that the tax has been allowed to pass with so little in the shape of popular protest ; but the truth is that the class on whom it falls the most severely is, of all classes, the least articulate. The moderately well-to-do artisan or labourer nowadays has substituted, to a great extent, meat and fish and eggs for bread, as the chief constituents of his diet. It is the town or country labourers with large families and average earnings below £1 per week, the widows engaged in a continual struggle to provide bare subsistence for themselves and their children, and the like, who will be hit by this new departure in the Government policy. These, however, are not the agitating classes. Their grievances seldom reach the ears of the public. At the same time, Mr. Booth and Mr. Rowntree have shown us how great a national danger is involved in the perpetuation of such conditions, and there is surely much more cause for alarm in any measure which is calculated to aggravate them. When we learn that, even as things are now, in such towns as York and Sheffield, a considerable proportion

of the boys leaving school are found to weigh 11 lbs. less than the normal weight of boys of their age, and that about 50 per cent. of the recruits who present themselves have to be rejected as undersized and underfed, it is hard to repress serious misgivings in regard to the future efficiency of the nation. Plainly, the very greatest problem that awaits solution by this generation is that of raising the standard of living among the poorest classes ; and it would hardly be credible, if it were not unhappily the fact, that we have now committed ourselves to a policy unmistakably calculated to lower it.

Two other small pamphlets have also been issued by the club ; one by Lord Avebury, entitled *Free Trade and British Commerce*, the other by Mr. Harold Cox, and entitled *American Progress and British Commerce*. As regards economic theory the two present an interesting and instructive contrast. Lord Avebury, as might be expected, approaches his subject from the point of view of the practical statesman. His defence of Free Trade is based substantially on the ground that, in the race for wealth, Great Britain is to-day holding her own, or more than holding her own, with the protectionist nations of Europe at any rate. In substantiation of this position he gives us a comparative statement of the total trade (exports and imports added together) of the United Kingdom, France, Germany, and Russia, as well as of the United States, from 1895 to 1900 inclusive. Evidently, however, he himself entertains some misgivings as to the significance of such a table. "Many," he remarks, "may say that the imports merely show our requirements ; that for the comparison of the condition of our manufacturing interests we must look, not at the whole trade, but rather at the exports" (p. 6). Accordingly he points out, as matter of congratulation, that, while since 1895 the Russian exports have increased by £4,000,000, the French by £28,000,000, and the German by £55,000,000, ours have increased by £65,000,000, and that a comparison between the figures of 1899 and 1900 places our position in this respect in a yet more favourable light.

Contrast with the above line of reasoning that with which Mr. Cox furnishes us. His is, no doubt, the regulation type of argument which, for more than a generation past, we have been accustomed to find in economic text-books, but which is rarely found outside them. His pamphlet is a reprint of an article in the *North American Review* for July, 1901, and is devoted largely to the confutation of the reasoning contained in an article in a previous number of the same review by an American writer, Mr. Flint. Mr. Flint had spoken of the great and growing volume of the American exports of recent years, precisely as Lord Avebury speaks of the satisfactory growth of English exports.

He had argued that the figures which he cited meant this : that "for every dollar's worth of goods" imported by America she was "selling two dollars' worth," and had added, with a not inexcusable accent of triumph, that the United States was "the only nation that showed any considerable trade balance on the right side." On this we are treated by Mr. Cox to a lecture quite in the vein of John Stuart Mill. "Must we," he asks, "then turn our ledgers upside down? How can a man grow rich by giving two dollars' worth of stuff in exchange for one dollar's worth? . . . The whole confusion arises from a misapprehension of the part which money plays in trade" (p. 9). Again : "Mr. Flint is apparently unable to grasp the elementary fact that the advantages of trade must be mutual" (p. 8); and Mr. Cox feels consequently that he ought "almost to apologize" to his readers "for putting before them such elementary considerations." The whole confusion, however, is Mr. Cox's own. Where could we find a more palpable instance of confusion of thought than in the fact that he regards as identical the two propositions : (1) that a nation's exports are double its imports, and (2) that a nation *exchanges* two dollars' worth of stuff for one? The exports of any given year are not, of course, exchanged for the imports of the same year. The balance of exports over imports may go, on the contrary, as indeed Mr. Flint elsewhere points out, to clear off America's past indebtedness to foreign countries, or otherwise to accumulate purchasing power in her favour. Of course every one knows that the fact that Great Britain's imports are vastly greater than her exports is not necessarily a sign that she is on the road to ruin. It is susceptible of explanation, mainly on the ground that the imports in excess are the shape in which the interest on capital invested abroad comes into the country ; but that consideration does not prevent us from hailing an increase in our exports as among the most satisfactory of all the evidences of national prosperity, or from endeavouring in every possible manner to guard and to extend our markets abroad. Mr. Cox has been taught at college that "the whole benefit of foreign trade to any country lies in the imports," and, in the true spirit of economic orthodoxy, he is ready to conclude that every one who does not subscribe to that exceedingly questionable doctrine is a fit subject for pity and contempt.

WILLIAM WARRAND CARLILE.

THE SHIPPING TRUST.—The latest development of the Trust system has met with a sharp and sudden storm of adverse criticism in England which, we venture to think, is rather unreasonable and altogether unnecessary. And the somewhat frantic agitation of the

patriotic drum suggests an unfortunate absence of coolness and perspicuity in the heads of some of those who have more or less recently become aware of the general trend of economic forces.

In the first place, it should be evident by this time to every student of modern economic tendencies that industrial and commercial combinations of this kind are practically inevitable. This is clearly shown by the recent history of Trusts in America; in spite of frequent attempts to repress the movement by legislation, the principle of combination has been continuously and rapidly extended over one industry after another, and it is now being made to cover international arrangements. And, further, it may be urged that this process of combination is even desirable as tending to promote economy and efficiency. It must be admitted, of course, that the risks imposed upon the general public by the existence of a virtual monopoly are no less patent than its economic advantages. But these risks can be checked or avoided by other methods than the apparently simple and easy, but really impracticable, method of trying to block the extension of a principle which has so forcibly proved its strength and vitality.

In the second place, it is hardly becoming for Englishmen to indulge in vehement protests against the investment of American capital in this country. We, of all people in the world, should have thoroughly realized the fact that capital is cosmopolitan. It is by no means strictly restrained within national boundaries, and, if disengaged at home, flows readily in any direction where a dividend can be earned. For years past British capital has been actively engaged in building up all sorts of business enterprises in foreign countries, and at this present moment the great excess of our imports over exports represents in large part the dividend paid upon our investments abroad. It should cause no surprise, then, that America is trying to find other outlets for her surplus capital; and in view of the exceedingly generous terms which Mr. Morgan has given to the British companies taking part in this deal, we may well be content to leave the arrangement of business details in the hands of our own shipowners and commercial experts. The desire of the Americans to have a larger share in the control of the North Atlantic shipping trade is intelligible enough when it is remembered that about four-fifths of the freight and three-fourths of the passengers come from America.

A more dubious question is whether Mr. Morgan will be able to make his scheme pay its way. He has, no doubt, a very fair prospect of success; and if he can retain a paramount control over the whole field of operations, the economy in management and the elimination of waste, which would be the natural and legitimate result of the

combination, should be enough to enable him to pay a tolerable rate of interest even on the inflated capital of the trust. The capitalized value of the trust is, as usual, rather excessive ; but this was to some extent made necessary by the high prices which Mr. Morgan had to pay in order to secure command over all the rival interests which it was essential to bring into the syndicate. On the other hand, it is just this risk which affords the most effective safeguard of the situation. For instance, by hauling down the British flag, or making exorbitant charges, Mr. Morgan would not only excite patriotic feeling, but also, what is more to the point, a keen and vigorous competition, which would go far to endanger the success of his scheme.

LEGISLATION, PARLIAMENTARY INQUIRIES, AND OFFICIAL RETURNS.

THE London portion of the census, discussed in the last number of this *Review*, has been quickly followed by the *County of Lancaster* (Cd. 1002, fol., 216 pp., 2s.) and the *County of York* (Cd. 1107, fol., 292 pp., 4s.). The jump from London to Lancashire is apparently due to the fact that Lancashire has at present the next largest population after London, and Yorkshire follows Lancashire on the same principle. Yet somehow we hardly expect that if, as is very probable, at the next census Lancashire contains more people than the little central area known as the County of London, the Lancashire portion will be published first. An order in almost any kind of geographical sequence would have been preferable from a statistician's point of view, since many of the most populous counties, especially London and Lancashire, overflow into neighbouring counties. However, the expedition with which the census results are coming out disarms criticism on this point.

The period of a Lancashire increase of population far exceeding that of the rest of England and Wales seems to be ending. If in order to smooth out the violent fluctuation caused by the cotton famine, and the subsequent sharp recovery, we take vicennial periods, we find that the population of the "ancient" (or present parliamentary elections) county increased in the century as follows, from 673,486 to 4,406,409 :—

Year.		Increase.		Per cent.
1801-1821	..	379,462	..	56
1821-1841	..	614,106	..	58
1841-1861	..	762,386	..	46
1861-1881	..	1,024,998	..	42
1881-1901	..	951,971	..	28

The decade 1881-91 showed an increase of 472,322, or 13.7 per cent., and that of 1891-1900 an increase of 479,649, or 12.2 per cent.

The most of this enormous decline in the rate of increase, and probably the whole of it till some time between 1881 and 1891, is, of

course, due to the diminution of net immigration. Lancashire may or may not have been as attractive as of old, but Ireland and the rural districts of England have not had so large a surplus to dispose of, and that surplus has found the passage to America easier than it was. The net immigration for the earlier vicennia can only be guessed at, but for 1861-81 it was over 300,000, while in the next twenty years it sank to 64,000. But during the last two decades a real decline of natality, not merely a decline of birth rate due to decline of immigration, makes itself visible. The net immigration rose from about 23,000 to about 41,000, and yet the birth rate fell off, while the death rate slightly increased, with the result that the natural increase, or excess of births over deaths, fell from 448,538 to 436,417, and children under ten have only increased 3·0 per cent., although women from twenty to thirty-five years of age have increased 20·3 per cent. In many unions there has been an actual decrease of children under ten, and this is not only in central divisions of great towns such as Liverpool and Manchester, where it indicates chiefly the substitution of offices for dwelling houses, but also in the rural unions Clitheroe, Garstang, Lunesdale and Ulverston, and the manufacturing unions Bury, Ashton, Oldham, Rochdale, Haslingden, Blackburn, Preston and Barrow, and the nondescript Ormskirk. In all these districts except Ormskirk, and in no others, the births of 1891-1901 were less than those of 1881-91. The contrasts between different districts are still more striking than those pointed out in London. For example, Moss Side, a middle-class suburb or portion of Manchester, with a total of 7717 men and 9737 women over twenty years old, has only 4190 children under ten, while Ashton-in-Makerfield, on the road between Wigan and Warrington, with only 5330 men and 4145 females over twenty, has 5195 children under ten. In the following table the ages of the Moss Side and Ashton-in-Makerfield children are compared with each other, and also with those which would be found in a stationary population with 600 births per annum and the mortality indicated by the English life-table of 1881-90:—

	Under 5.	5-10.	10-15.	15-20.
Ashton-in-Makerfield	..	2730 ..	2465 ..	2138 ..
Moss Side	2019 ..	2171 ..	2336 ..
Stationary population	..	2534 ..	2273 ..	2240 ..

The increase of Yorkshire—except in the cotton famine decade—has never been so rapid as that of Lancashire. The ancient county at the beginning of the century had a population of 859,133 against Lancashire's 673,486, but it was passed by Lancashire soon after 1831. The vicennial increases have been as follows:—

Year.		Increase.		Per cent.
1801-1821	..	314,762	..	37
1821-1841	..	418,164	..	36
1841-1861	..	441,551	..	28
1861-1881	..	853,011	..	42
1881-1901	..	698,141	..	24

These bring the population up to 3,584,762. The figures afford little or no evidence of declining natality, as the fluctuations may perhaps be fully accounted for by the fluctuations in migration and the alterations in the birth rate immediately consequent upon them. In 1851-61 there was a net emigration of about 30,000; in 1861-71 and 1871-81 there were net immigrations of 94,000 and 54,000, while in 1881-91 and 1891-1901 there were net emigrations of 63,000 and 10,000.

The comparison made in the Introductions between the occupation statistics of 1891 and 1901 shows that the old staple trades of both counties are declining in comparative, and, perhaps, also in absolute importance. The persons employed by cotton manufacture in Lancashire have fallen from 459,974 to 436,677 in the decade, while the wool and worsted manufactures of Yorkshire employ only 181,054 persons in 1901, against 209,789 in 1891. In Yorkshire "metals, machines and implements," which employed 145,255 persons in 1891, and 177,884 in 1901, are rapidly overtaking wool and worsted, and even in Lancashire the males employed on metals, machines and implements, who increased from 120,082 to 153,703, may by this time equal the males employed on cotton, though it will take them a long time to outnumber the 274,000 women which the cotton trade still finds a place for. The diminution in the cotton and wool manufacture is considerably greater than can be accounted for by the undoubted decrease in the number of young children employed. Female domestic servants have dropped from 129,421 to 117,636 in Lancashire, and from 113,774 to 103,034 in Yorkshire, a remarkable phenomenon to which later portions of the census may perhaps furnish the key. The building trades have gone up from 84,210 to 112,036 in Lancashire, and from 70,731 to 97,684 in Yorkshire.

The statistics as to small tenements and their occupants indicate an improvement in the housing so enormous that it will surprise even the few who have had their eyes open enough, to see that while the advocates of municipal housing were holding conferences, private enterprise was building houses of the character required by the mile. According to the comparative figures given for 1891 and 1901, the persons occupying tenements of more than five rooms in Lancashire increased by 449,046; persons occupying tenements of four rooms, and not being more than one

and a half to each room, increased by 154,885 ; while those occupying four-roomed tenements, and being one and three-quarters or two to a room, decreased by 11,542 ; those occupying smaller tenements, and not being more than two to a room, decreased by 32,225 ; and those occupying four-roomed and smaller tenements, and being more than two per room, fell from 349,916 to 269,425. In 1891, the people who lived in tenements of five rooms and upwards, lived in the proportion of 5·63 per tenement ; in 1901, in the proportion of 5·36 per tenement. In 1891, the people who lived in tenements of four rooms and under, lived in the proportion of 1·27 per room ; in 1901 they lived in the proportion of 1·18 per room.

So far as can be judged from a less laborious examination of the Yorkshire tenement table, the improvement in that county has been nearly as great as in Lancashire. In diminution of persons in tenements of less than five rooms, and averaging more than two to a room, it has been much greater in absolute amount, and equal in proportion, as the number has fallen from 467,428 to 346,109. Yorkshire appears to have had at both periods considerably more overcrowding than Lancashire, but the figures, though probably tolerably trustworthy for comparisons between the same place at intervals of ten years, are not at all conclusive in comparisons between one county and another where the style of building differs. The existence of some great difference between Lancashire and Yorkshire, either in the plan of houses or in the method of reckoning rooms, is strongly suggested by the discrepancy in the proportions of tenements of different sizes. In Lancashire the three-roomed tenements are less than one-tenth of the whole number under five rooms. In Yorkshire they are nearly three-tenths, and in the West Riding alone they are even more than that.

The work of the Royal Commission on Local Taxation appears to be completed by the publication of their *Final Reports* on *Scotland* (Cd. 1067, fol., 117 pp., 1s.) and *Ireland* (Cd. 1068, fol., 52 pp., 5d.). In these Reports each section of the commissioners endeavour, with tolerable success, to apply to Scotland and Ireland the principles which they have already adopted with regard to England. They are, therefore, if we may say it without disrespect to Scotland and Ireland, almost entirely of local interest. One remark in the Scotch majority Report, however, is worth quoting for its strong assertion of sound economic principles.

“Perhaps the most important distinction between the Scottish and English rating systems is that whilst in England the occupier” [except, it should be said, a compound householder entirely paid for by his landlord] “is almost invariably liable for the payment of the whole

rate ; in Scotland the majority of rates are, as is shown in Chapter I., divided between the occupiers and their immediate landlords. Notwithstanding this distinction, we are inclined to think that the final incidence of the rates in Scotland does not differ in any important respect from that in England. In fact, no transfer from occupiers to owners, or from owners to occupiers of the whole or any part of the liability for the payment of rates can have much effect upon their final incidence, so long as contracts are respected."

Both reports contain useful accounts of the present system of local taxation and of the distribution of the subsidies from the national exchequer. In regard to the distribution of the subsidies, as in regard to most of the abuses of government in the United Kingdom, Scotland seems rather better, and Ireland a great deal worse than England. Scotch acuteness at "accounts" would never have tolerated the ludicrous ineptitude of a purely nominal earmarking. Ireland has been saddled with a system of distribution which favours the rich districts to a degree which even England could never have tolerated. The astonishing table on page twenty-four shows that the union of Dunshaughlin in Meath, with a rateable value per inhabitant of £12 5s., receives from the taxpayers of the United Kingdom at large 7s. 6d. per inhabitant, while Glenties in Donegal, with a rateable value of 13s. per inhabitant, receives only 1s. 3d. per inhabitant, with the result that Dunshaughlin spends 11s. 5d. per inhabitant, and has a rate of 11d. in the pound, while Glenties only spends 2s. 3d., and yet has a rate of 3s. 4d. in the pound. Lord Balfour of Burleigh and Lord Blair Balfour do not think this "can be considered satisfactory."

Lieut.-Col. H. A. Yorke's *Report to the Board of Trade on the Chemin de Fer Metropolitain de Paris, with Remarks on Shallow Tunnels* (Cd. 977, fol., with map, 11 pp., 4*½*d.), is a useful contribution to the rapidly growing mass of literature concerning what the Americans call "rapid transit." Perhaps the most noteworthy circumstance dealt with in the report is that in Paris it has been decided to work different sections of the same system independently of each other, allowing passengers to change when necessary, instead of attempting the system of confluent junctions and through trains. Another important fact is that the traffic on the part of the railway already completed is nearly as great as that on the Central London ; this is doubtless due to the tunnel being easily accessible from the surface, instead of being, so to speak, at the bottom of a six or ten storied basement. It is a pity Col. Yorke has not defined "tramway" and "railway ;" the ordinary person believes a tramway to be a railway on a road which is also open to the use of vehicles with unflanged

wheels, and this seems the only convenient sense to attach to the term, but Col. Yorke thinks the Boston subway—which is not open to ordinary vehicles—is a tramway, though he admits that “the difference between these underground railways and tramways is somewhat slight.” Presumably he regards the Boston subway as a tramway because it is connected with ordinary surface tramways, and doubtless if the Londoner is ever allowed by Parliament to travel direct from the surface of the Embankment underneath Wellington Street and the new street to Holborn, he will suppose himself to be still on a “tramway” when he is underground since he is still in a tramcar. In these difficult circumstances it would seem best to stand neutral and adopt the single Bostonian term “subway” for what are sometimes barbarously called “shallow tunnels.” The term “tube” for deep level tunnels has probably become a permanent part of the language.

The *Correspondence Respecting the Comparative Merits of British, Belgian, and American Locomotives in Egypt* (Cd. 1010, fol., 61 pp., 6d.) contains reports by Lord Cromer, Mr. Trevithick, and Major J. H. L'E. Johnstone. The trials of British locomotives, built according to the designs of the Egyptian railway department against the somewhat cheaper American standard locomotives, go to show that the difference in price is much more than counterbalanced by difference in cost of working. The American would not have been bought if Belgian or British could have been got as quickly. The investigation which has taken place seems to suggest that the Belgian locomotives, which have been largely bought in recent years, are not really preferable to British and French engines. Lord Cromer appears to think that they owe their selection merely to an unintelligent application of the lowest tender principle. There can be no national bias in buying Belgian or American engines, he thinks, since, of the two bodies which sanction purchases, one is composed of an Englishman, a Frenchman, and an Egyptian, and the other of representations of the six great powers. He may be right as to the fact, but his reason is not very convincing. Jealousies, whether national or other, are just the things which induce an unintelligent application of the acceptance of the lowest tender principle. People afraid of being accused of jobbery are not likely to give a handle to their enemies by picking and choosing between tenders.

Much of the history of the recent sugar convention is to be looked for in the Foreign Office miscellaneous paper entitled *Correspondence Relating to the Brussels Sugar Bounty Conference* (Cd. 1013, fol., 65 pp., 6½d.), and the Colonial Office paper, *Correspondence Relating to the Sugar Conference at Brussels, 1901-2* (Cd. 940, fol., 80 pp., 8½d.),

though the second of the two consists largely of congratulations and thanks for congratulations on the result. The Convention was signed at Brussels on behalf of Germany, Austria-Hungary, Belgium, Spain, France, Great Britain and Ireland, Italy, the Netherlands, and Sweden and Norway, on March 5, 1902, and is to come into force in September, 1903, and then be in force for five years. The contracting parties undertake to abolish all bounties on the production or exportation of sugar grown by themselves and to limit the surtax (*i.e.* the difference between the import duties and the taxation on sugar produced within the country) to 6 francs per 100 kilogrammes on refined, and 5 fr. 50 c. on other sugars. They agree to impose a special duty, not less than the amount of the bounty, upon the importation of sugar from countries which give bounties. They undertake to admit at the lowest rate of duty sugar of any of the contracting countries. A permanent commission to decide the difficult questions which may arise will sit at Brussels. The Government of Great Britain adheres to the convention on behalf of the crown colonies, and declares that no bounty, direct or indirect, shall be given to sugars of the crown colonies, and that no preference will be given in the United Kingdom to colonial sugars as compared with sugars from any of the contracting States. East India and the self-governing colonies are to be given the opportunity of adhesion.

A suggestion was made that Great Britain should declare that if she herself became a sugar-producing country, she would tax the home-product as much as the imported. This proposal was very properly rejected by our government on the ground that it required Great Britain to go further than the other contracting parties, but it is well worth noticing, in view of the subsequent imposition of a grain import duty with no corresponding internal duty, that so lately as January 17, 1902, Lord Lansdowne observed to the British delegates that "the fiscal policy of this country is so well known that it would appear unnecessary to add anything to the reference already made by you to the action taken by Parliament last year in imposing a duty on glucose, the only form of sugar at present produced in the United Kingdom."

EDWIN CANNAN.

REVIEWS.

TRIBAL CUSTOM IN ANGLO-SAXON LAW : Being an Essay supplemental to (1) *The English Village Community* ; (2) *The Tribal System in Wales*. By FREDERIC SEEBOHM, LL.D., F.S.A. [ix., 538 pp. 8vo. 16s. Longmans. London, 1902.]

Some twenty years ago Mr. Seebohm achieved considerable fame with his *English Village Community*—a contribution to the comparative study of institutions which, whatever be the present worth of certain of its contentions, has left its mark on that important branch of history for good and all. Next, he brilliantly elucidated the structure of the Cymric tribe, his son, I may add, doing the same for Greece. And now his literary life has attained to what, according to ancient ideas, is the height of felicity, seeing that it has become *τριτοτορόδος*—has “poured out its third libation.” The present volume displays all the virtues of its predecessors: patience in the founding of inductions, ingenuity in the formulation of hypotheses, and cautiousness and moderation in the claim to have established verifications. But it is not designed to accommodate the reader who desires merely to be amused, or to be given something that he can swallow whole. On the contrary, we are invited to assist actively in extracting certain conclusions from a vast mass of tangled evidence. And when those conclusions are reached they are found to be of limited range—constitutive of a single point of view which has to be combined with various other points of view before the subject of Anglo-Saxon law and polity can be tackled in its concrete entirety.

Meanwhile, the point of view to which our attention is specially directed is, at any rate, prior in the logic of history to any other: for it is that of the Anglo-Saxon settlers themselves. The raw material, we may assume, on which various foreign influences worked so as to produce the Anglo-Saxon England that the historian seeks to reconstruct, was a tribal custom, doubtless not entirely free, even at the time of immigration, from a tincture of Mediterranean culture (as witness the weights and measures), but, at all events, relatively pure and aboriginal. Now tribal custom is a many-sided thing, standing

for all that Church, State, and Society together represent for the civilized man. But for our author it means far less. Indeed, the title of his book is rather misleading. "Gentile custom," I may venture to suggest, would have been somewhat nearer the mark. Mr. Seebohm's immediate concern is with the specific custom relating to the payment of wergelds, and with the solidarity of the kin as thereby implied. From this he deduces not a little both in respect to the division of classes and the character of the land-tenure. The wergelds themselves, however, provide the core of his inquiry. And for the following good reason. The earliest attempts at express legislation that are found in Britain, in Scandinavia, or amongst the Continental Germans, deal almost exclusively with what must in practice have proved the very troublesome and complicated business of apportioning rights of receipt and liabilities of payment amongst the relatives of slain and slayer—other matters, such as the laws governing the holding of land, being passed over in silence as well understood by all.

As regards these wergelds, the economist will be attracted by the evidence relating to the currencies in which they were paid. Mr. Seebohm's thesis is that, with comparatively few exceptions, the normal blood-price of the full or typical freeman was everywhere of the value of 200 gold *solidi*, or of its Greek equivalent the heavy gold *mina*, both of these alike traditionally representing 100 head of cattle. This idea (which may have been first suggested to him by Professor Ridgeway's *Origin of Currency and Weight Standards*, to which reference is made on p. 2) is elaborately worked out; and it must be admitted that the correspondences discovered on all sides are remarkable, though the equations for the most part involve such roundabout calculations that the expert who controls the figures is bound to have it very much his own way with the lay reader. Meanwhile, as it is almost universally admitted that North-Western Europe of the Dark Ages derived its monetary standards from Greece and Rome, there is, at any rate, a strong antecedent probability in favour of the existence of a general tendency to carry on the ancient practice (suppose it clearly proved ancient, which, as far as the present volume is concerned, is scarcely done) of fixing the round number of 100 oxen, or gold ox-units, as the cleansing fee for homicide.

Another matter of special interest to the economist is the system of land-holding deducible from the incidence of the blood-fine. Here, however, Mr. Seebohm's argument confessedly deserts *terra firma*. He takes the Cymric "gwely"—about which he has elsewhere shown that we can be certain of a good deal—as the typical example of a landowning kin, and assumes that similar wergelds have a similar

land-system behind them, thus tending to identify Cymric and German custom. But is he justified in treating these as strictly complementary aspects of what is a world-wide characteristic of society at the tribal stage, namely, gentile solidarity? The amount of the wergelds, indeed, was seemingly not a matter of race. Nay, as we have seen reason to think, it was due in large part to influences wholly exterior to both the stocks in question. But surely it does not follow that the custom relating to land-tenure was likewise of common or neutral quality. Thus a matriarchal North American tribe, of a type quite other than the pastoral, would show close analogies to the European wergelds—analogies extending even to such details as the extra payment of "honour-price," and so on; whereas its land-system, though, of course, in a broad sense, communal, would prove utterly disparate. Of course the case is an extreme one, and it is not probable that Cymric and German, living under much the same conditions, and belonging to the same human family, would differ in their customs to anything like the same extent. Still, it would, perhaps, have been more satisfactory if the Anglo-Saxon system of land-ownership could have been dealt with more exclusively in connexion with parallel institutions of a distinctively Germanic character, such as those of the Norseman and the Frank. Meanwhile, Mr. Seebohm is probably right in his main contention that the land-system of Anglo-Saxon England is to be regarded as, on the whole, the product of two interacting factors—a Roman method of land management making for individualism, on the one hand, and an aboriginal tribal custom reminiscent of communism, on the other.

It remains to take notice of a few of the many topics illustrated by the way, making the selection in favour of those which are most likely to appeal to the general student of early culture. In the first place, it is worthy of attention how primitive custom left no room either for feud or for pacation within the kin. Strange as it may seem to the civilized man brought up to the idea of individual responsibility for wrong-doing—the growth of which idea, under Roman influences for the most part, is a matter on which the present essay sheds much needful light,—the parricide in the German and the Cymric tribe alike was subject to no penalty save that of outlawry. Indeed, in England, right up to the time of the Norman Conquest, the punishment of such a crime would seem to have been practically handed over by the laws to the spiritual jurisdiction of the Church. Secondly, the marriage-relations revealed by the laws of wergeld are curious, though precisely what the anthropologist would expect. Husband's and wife's difference of kin keeps them apart, and neither can receive any portion of

the other's blood-price ; whereas in that of a child of the marriage both sets of relatives have an interest, the mother's kin, however, coming in for the smaller share, generally one-third. This last fact would seem to show that inter-gentile feuds in Europe were, as a rule, no longer carried to the length of requiring the intermarrying group to become divided against itself. Lastly, the position of resident aliens and the strength of race-feeling are concomitantly illustrated as follows. It appears that the Germanic tribes were willing to award full blood-fines to foreign settlers of their own stock—Frank to Burgundian, Englishman to Dane. The Gallo-Roman, on the other hand, was entitled to no more than a half-wergeld in Continental Europe, whilst in England the "wilisc" man would seem to have occupied a position of similar inferiority. These, however, are but a few odd scraps from the copious and well-ordered banquet that awaits readers of Mr. Seebohm's admirable book.

R. R. MARETT.

A HISTORY OF POLITICAL THEORIES, ANCIENT AND MEDIÆVAL. By W. A. DUNNING, Ph.D., Professor of History in Columbia University. [360 pp. 8vo. 10s. net. Macmillan. New York, 1902.]

In this volume Professor Dunning endeavours to present a connected view of the course of ancient and mediæval political thought. One hundred and thirty pages are devoted to Greek and Roman speculation, the other two hundred to the political ideas of the Middle Ages. The disposition and selection of material is well managed, the style is pointed and luminous, the evidence of conscientious and independent study is unmistakable, and the bibliographical apparatus with which each section is fortified is well chosen.

The opening passages on the origin of Greek political reflection are perhaps the most defective part of the work. The "Sophists," for example, are far too briefly dismissed (pp. 20, 21), and the fundamental antithesis between *vómos* and *φύσις*, that fruitful parent of political debate, and, in the end, of political philosophy, is passed over in unaccountable silence. Professor Dunning's exposition of the *Politics* of Aristotle contains one or two errors. No doubt Aristotle in one or two places came perilously near to falling into that confusion between the ideal and the primitive against which, on occasion, he so strongly protested. Nevertheless it is not strictly accurate to attribute to him the opinion "that brigandage is a natural method of obtaining wealth, because it is a practice of undeveloped men, and the taking of interest is not natural, because, apparently, it is not found among undeveloped

men" (p. 62). In each case a closer examination of the passage referred to will show that Aristotle has at least saved his reputation for philosophical consistency. Professor Dunning's whole exposition and criticism of Aristotle's political philosophy, clear and unprejudiced as it is, lacks just those indications of atmosphere and motive which would have rendered intelligible, historically speaking, the shortcomings and perplexities of the *Politics*. Why Aristotle eluded or simply stopped short of so many conclusions which the logic of his premisses compelled him to draw, why he set himself to withstand the manifest trend of philosophy towards cosmopolitanism and humanitarianism, why he somewhat perversely, it might seem, persisted in finding in the city state the consummation of political progress, and in its reasonable authority a parochial Sinai—if Professor Dunning had indicated somewhat less obscurely the answers to these questions, he would have gone a long way towards exhibiting and explaining the nature and limits of the adjustment of the Hellenic and the universal in Aristotle's system. In dealing with the Roman contributions to politics and jurisprudence, the writer appears to have been misled by the attempt (if we have understood him) to force upon the Latin tongue a clear and sharp distinction between *lex* and *jus*, "law" and "rights," which certainly cannot be maintained. Under this misconception he speaks of Cicero as "reversing the earlier Greek conception of the relation between law and rights, and making right (*jus*) in every sense subordinate to and dependent upon the idea of law (*lex*)" (p. 123). He constantly translates *jus naturale* by "natural right;" and consequently goes on to discover that, "in the philosophy of the jurists, rights (*jus*) rather than law was the basal concept" (p. 128).

Such criticisms as have to be passed are happily almost confined to the first part of the work. To the second and larger half, in which Professor Dunning follows and maps out the main paths of mediæval political debate, a reviewer can offer more unqualified praise. The very fact that mediæval political philosophy depended more upon literature and less upon experience, makes the task of interpretation simpler. Thought moved cumbrously and cautiously under a weight of literary authority. Dogmatic and systematic in its structure, it lost the quick interplay of fact and theory, the unsatisfied and unsatisfying dialectic, which constitutes at once the charm and the perplexity of Greek speculation. The Greeks aimed at anticipating history, and succeeded in reflecting it; the mediæval thinker always lagged far behind. The great and protracted debates of the Middle Ages have indeed, as was inevitable, left their mark deep on modern

political speculation ; but the combatants themselves drew their weapons from ancient armouries and assiduously concealed the cogent logic of facts by the appeal to the logic of authority. Thus it is that the work of the historian of political ideas becomes easier as he enters the Middle Ages. He has only to select the evidences of the convergence of new ideas in new controversies from out the elaborate and imposing systems submitted to his study. The broad outlines of European history—these, and these alone—are reflected in the colossal tomes of mediæval thinkers, for the most part secluded from too close a contact with the confusing and clashing sentiments and aspirations of humanity. History had to be translated into abstraction before it admitted of scientific treatment. Mediæval political theories, with their prolixity and remoteness, can never be other than tedious and disgusting reading ; nevertheless, without a knowledge of their drift and purpose no really sound and critical appreciation of modern political philosophy is possible. For this reason a clear and succinct exposition, conducted with a just sense of proportion, is essential as an introductory chapter to modern thought ; and for this reason Professor Dunning's manual, supplying as it does this desideratum, should be cordially welcomed by every student who has come to realize that Plato and Aristotle alone will not account for the fundamental presuppositions and interests of modern political thinking.

W. G. POGSON SMITH.

VOLKS- UND SEEWIRTHSCHAFT. Reden und Aufsätze von Dr. ERNST VON HALLE, Professor an der Universität Berlin. [2 vols. 471 pp. Crown 8vo. 5.50 marks. Mittler. Berlin, 1902.]

“In the great conflict of the future, Germany, having lost so many millions of Germans during the nineteenth century to the Anglo-Saxon world, and thus allowed the balance of power to turn against her, will need all the inner forces of shoulders, fists, and head, to secure her rights among the nations by land and sea.”

The twelve loosely connected essays, which compose the work under review, are simply so many sermons preached from the above concluding passage of the preface. In that entitled “World-power and Social Reform” is sketched the earliest beginning of Prussia's naval force in 1840, and of the attempts of some of her people, like those of the early Puritans, to escape domestic tyranny by founding German colonies in the debatable land of Texas. The opposition of their own Government prevented them from forestalling the American invasion of that territory, and giving Prussia a colony in North America under her own flag.

Two features ought, in the judgment of Professor von Halle, to mark the future policy of Germany. Since her own limited area and rapidly growing population compel her to resort to markets outside her own territories, where she may profitably exchange her own home products for the food-stuffs and raw material of manufacture which her own soil does not yield, it is plain to him that she must secure such markets partly by planting out her citizens in localities and under conditions where their national and racial traditions may be maintained, and partly by investing her spare capital in, for example, the Spanish-American countries. In these, he remarks, the German element remains distinct from the native population longer than in the Anglo-Saxon communities. To back up Germany's commercial interests abroad, a powerful navy is, he urges, indispensable. The second feature in the policy he recommends is that of "social reform" in conceding legal recognition to trade combinations, in promoting arbitration in labour disputes, and in extending the privileges granted under the State pension laws.

These two branches of policy, our author considers, mutually depend on and support each other. Social reform will prepare the working classes, whose vote must be conciliated, to support the Government in a forward foreign policy, and a policy vigorous in pushing the interests of German commerce in foreign lands will necessarily foster employment at home. He recognizes that the complexities of domestic politics impede the realization of his ideas. The Agrarian party and the financial and industrial interests agree in opposing a social programme. But on foreign policy the financier's interest parts company with those of the landowner and manufacturer, because it is somewhat of the old Manchester type. The two latter classes tend to favour activity abroad as a preventive to less welcome alternatives at home. Conversely, the social-democratic party is hostile to an assertive foreign policy.

But the cardinal article in Professor von Halle's programme is the duty of building up Germany's sea-power. He has not studied Captain Mahan—whose standard work has, by the way, reached the second edition in its German dress—for nothing. To stimulate opinion in this direction he alternately cites the position achieved by England towards the end of last century, and the recent change in the policy of the United States; the former as an instance of the vast results to be obtained from a great mercantile marine backed by a powerful fleet, and the latter as a proof that Germany must adopt the same methods if she is not to succumb before the new American policy of fostering an industrial export trade combined with territorial

acquisitiveness. In the tariff barrier with which Germany's closest neighbours, particularly France and Russia, have fenced themselves against her industrial invasion, a potent argument is seen for expanding her sea-borne trade.

Our author is himself, however, anything but a free-trader. The old view that each party to international trade must profit by it equally is, he maintains, disproved historically as well as theoretically. He substitutes for it the dictum that each party must do its best to secure for itself the most favourable position ("möglichst günstig situirt zu sein"). Germany's present commercial pre-eminence is the outcome not only of the growth of her industrial producing power, but of her political prestige since 1871. Air and water, he declares, are no more free than the soil, and the defensive measures they take are the price which nations have to pay for their enjoyment of these necessities. If Germany is to command room for her overflow population, a market for her excess produce, and a field for her spare capital, she must be able to treat on equal terms with other world-powers, especially with England; for "the treaties of the future will be concluded and maintained between equals only; to the weak they will be dictated and interpreted." A powerful fleet can alone give Germany this equality.

Perhaps the all-importance of sea-power to every nation, regardless of its geographical position, is somewhat overrated here. Her mastery of the waves did not render Carthage mistress of the world. A successful deal with the American might conceivably make the Slav dictator of the Eastern hemisphere, but a more active imagination is required to picture Russia as ruling the waves from her ice-bound harbours.

Next to the present predominance of England, the future rivalry of America confronts the Pan-German idea. To the significance of the new American Imperialism, as distinguished from mere vulgar spread-eagleism, Professor von Halle devotes his tenth essay, the amplification of an address given before the Dresden branch of the Deutsche Kolonialgesellschaft on January 22, 1900. He reminds us that already half a century ago American diplomats had announced that, if Spain were blind enough to refuse to sell Cuba to the United States, then "we have the right, according to human and divine law, to wrest it from Spain whenever we are able." The gradual relinquishment of the negative side of the Monroe doctrine under the late and the present administrations in favour of a policy of annexation is traced, not without an occasional sarcastic reference to the modifications which the old American ideal of human equality has lately had to undergo. He

thinks that America intends to become, and perhaps will become, the paramount creditor State, and that, after having completed her military and naval organization, she will utilize her financial position to send in her bill to her debtors with a demand to convert the liability into a "machtacept" (acceptance given under compulsion). Naturally, England is to be the first victim. Recent "deals" favour the opposition. But "this community formed out of the combative elements of different nationalities," as he styles the Republic, will not confine herself to peaceful conflicts ; she will ever seek to push her dominion by force of arms.

Beyond repeated exhortations to his fellow-countrymen to strengthen their fleet, to pacify their proletariat, and to push their wares beyond the sea, Professor von Halle is somewhat vague as to the precise methods by which Germany is to counteract the aggressive proclivities charged against the Anglo-Saxon countries. Such reticence was, perhaps, unavoidable, since his work is dedicated to Vice-Admiral von Tirpitz, the head of the German Admiralty. In one particular alone he shows his hand. The mouths of the Rhine and Danube ought not to remain in alien hands. With unexpected boldness—for Germans dread a conflict with Russia—he observes that it has been the historic mission of Germany to thrust back the Slav eastwards. The earlier Teutonic colonization of Eastern and South-eastern Europe was almost superseded during last century by emigration to the States, much to the detriment, according to our author, of German national interests.

So far, then, as the Danube is concerned, he admits that Germany will have to await the operation of the disruptive forces in Austria, and he proceeds to examine at length the relations of his own country with Holland. He allows that these had been by no means cordial until the last few years. But he thinks they may improve under the Orange-Mecklenburg matrimonial alliance, the more so since the Dreyfus affair and the Transvaal war have cooled Dutch sentiment towards France and England. To help forward this process with regard to the latter country, he dedicates an entire essay to the consideration of England as "Protector" of Holland. He asserts that Dutchmen versed in their national history feel anything but encouraged by the assurances of protection sometimes tendered in the British press. Possibly they will not find the mode in which he has couched his arguments in favour of a customs union and a marine convention between their country and his much more persuasive. In case of a war between France or England and Germany, Holland may now, he points out, be held to a neutrality injurious to Germany. The proposed convention would not only prevent this, but would preserve

to Holland her remaining colonies, now all but ready to drop into the open mouth of the greedy Anglo-Saxon on either side the Atlantic. In order to encourage the Dutch to abandon that petty, short-sighted, peddling spirit which has, the professor remarks, under the guise of independence, reduced Holland from the lordship of the earth to her present position, in favour of practically entering the German federation, the tariffs on the network of Prussian State railways bordering Holland are to be so manipulated as to divert from the latter a great part of her trade to the advantage of Bremen, Emden, and Antwerp.

Altogether, this is a somewhat striking book, well worth the attention of Englishmen—and they should be many—who desire to acquaint themselves with the real tendency of the aspirations of German Imperialism. Its dedication to Vice-Admiral von Tirpitz invests it with a certain measure of authority in this respect. Thus it has seemed worthy of something more than a passing notice.

C. H. D'E. LEPPINGTON.

PRINCIPLES OF POLITICAL ECONOMY. Vol. III. By J. SHIELD NICHOLSON, M.A., D.Sc. [441 pp. 8vo. 15s. Black. London, 1901.]

The third volume of Professor Nicholson's *Principles of Political Economy* completes the work, and contains the two last books into which the subject is divided, viz. those on "Economic Progress" and the "Economic Functions of Government." The present volume, therefore, is less an exposition on economic theory than are the preceding ones, since it touches more closely upon political and social problems of to-day, while the subject is still further widened by a closing chapter upon the relation between economics and religion.

A careful investigation is first made into the evidence of progress in economic life, under the headings of Money (*i.e.* coinage and general prices), Prices (*i.e.* relative prices), Rent, and Profits. In each case there is an historical account with reference to leading authorities; and also, where possible, a general conclusion is drawn. This last is done with the utmost caution; for instance, history is shown to teach that currency has become more stable and prices more elastic, that rent is determined more freely by competition, that interest on capital is more secure as well as more equal, that real wages are higher—than formerly. On the other hand, coinage has become less artistic, while the rate of general prices has no direct connexion with progress; and in many cases, *e.g.* profits, conditions are too complex to allow of any general solution.

The concluding book treats of political science more than of pure economics. There is a chapter on political ideals, followed by a close examination into the benefits and defects of individualism. The author goes on then to describe various methods of State action, and finally returns more to the strict domain of economics, in his treatment of free trade, taxation, and public expenditure. The closing chapter on Christianity stands apart from the other sections, and refers to all that has gone before.

The whole work is characterized by comprehensiveness and exactness of thought, but is less strong in its appeal to historical examples. These last are not selected with sufficient unity of plan to be satisfactory. For instance, English history is usually chosen ; but, with the exception of the account of coinage, there is no complete history of institutions, even in outline. French history, as well as English, is quoted in tracing wages ; while elsewhere there are occasional references to Greece, Rome, mediæval Europe, or America—chosen almost at random. These are, doubtless, valuable in illustrating certain points ; but, as such, they are longer than necessary, while as historical proofs they are incomplete, and the number of important omissions detracts from their value in argument.

Professor Nicholson is far more convincing in the field of scientific analysis. Here he is strictly careful in statement ; every step is made with extreme caution—looking, as it were, from right to left before deciding upon the next position. Sometimes, indeed, the general trend of the argument is obscured by mention of exceptions, modifications, possibilities, and so on. But these are necessary for accuracy, even if something more might be done by arrangement to subordinate them to the main line of reasoning, or to group them round the propositions to which they belong.

Another characteristic of the work is power of comprehension. The author takes a broad view of his subject, which he connects with other departments of life, and though he does not—except in the last chapter—digress into these, he gives the reader a clear conception of the science as a whole. This fitting of economics into the general scheme of life is of great practical, as well as theoretical, value, since it leads directly to thoughts on reform. Indeed, the whole volume is of great practical interest, and is full of suggestive ideas, even where it provokes criticism. The author, though without prejudice, shows signs of his own opinions. He is opposed to extreme forms of Socialism ; he is in favour of a gold standard ; he is inclined to be sanguine as regards both the foreign trade of Great Britain and the condition of her agriculture ; he has a special reverence for Adam Smith ; and shows

enthusiasm on certain points, such as the affection of our Colonies, and the force of the Christian religion.

The final chapter shows how the Christian ought to deal with economic conditions—how he is to elevate labour, to regard property as a trust, and to turn exchange into charity. Curiously, Professor Nicholson makes no mention here of commercial morality, but passes beyond the question of mere honesty into active sacrifice and love. The whole chapter shows strong feeling, and great personal reserve ; it might be made even more useful by the addition of more practical suggestions.

In spite of omissions in application, the book presents a complete train of thought, and cannot fail to be valuable to the student in economics. The author goes below the surface of things : he supports his statements by sound argument ; his style is forcible and clear ; his broad views of life cannot fail to help any searcher after truth.

M. W. MIDDLETON.

EXPERIMENTAL SOCIOLOGY : Descriptive and Analytical—

Delinquents. By FRANCES A. KELLOR, Graduate Student in the University of Chicago. [xvi., 316 pp. 8s. 6d. net. Macmillan. New York, 1901.]

There are two would-be branches of science which a good many thoughtful people in this country are wont to look upon with a certain amount of suspicion—to wit, Criminology and Experimental Psychology. Now Miss Kellor's business is with both at once ; so that here, if anywhere, the critic who scents chimeras ought to find his chance. No one, however, who speaks in the name of science has the right to deal hardly with Miss Kellor's work, if only on account of the admirable scientific spirit that breathes through every line of it. Nothing could exceed the impartiality, thoroughness, and accuracy with which she states her findings. That these findings do not include any far-reaching generalizations cannot, on the other hand, be taken as affording any disproof of their ultimate scientific value. After all, a book must be judged in the light of what it undertakes to do ; and Miss Kellor expresses herself quite clearly on this point—“it is sought here to present methods and plans of work rather than any conclusive results.” Even supposing it an open question whether anything theoretically or practically important is to be discovered in this direction, one can but try, and try methodically.

The nucleus of the essay consists in a detailed account of the examination of sundry female criminals, sixty whites and ninety negroes, whilst fifty-five cases of white females of the student class

have likewise been analyzed for purposes of comparison, the average time required for the investigation of each subject being five hours. Miss Kellor seems to have travelled far and wide within the United States in search of material; and, despite the impersonal form in which her experiences are conveyed to the reader, there are unmistakable indications that, what with unsympathetic prison officials and suspicious criminal subjects to face, and a set of laboratory appliances to carry about, hers was a veritable pilgrim's progress. The fruits of her labours are embodied in three chapters of statistics, dealing respectively with the anthropometrical measurements of the cases studied, their responses to psycho-physical tests arranged in accordance with current laboratory methods, and their personal history as bearing on the social conditions under which they were reared. It is under the first two heads, perhaps, that the more interesting data are found. One has been led by the Italian school of criminologists to look for pronounced abnormalities, physical and psycho-physical, in the criminal. To what extent, then, is this hypothesis confirmed or rebutted by the new evidence? Miss Kellor, with what, after all, may be commendable scientific caution, seeing that her studies are quite tentative, is content to allow the facts to speak for themselves; and facts, when not forced to speak, have a way of remaining silent. To go by one's impression of their import, however, they tell, if anything, *against* Lombroso. If there be abnormality, it is not marked. Meanwhile, there is need of an exacter criterion of normality than is provided in the analysis of the student-subjects. We require what Bacon would call *instantiae absentiae in proximo*—instances which are dissimilar only in regard to the specific effect under investigation, namely, criminality. Thus size, in respect to which students and criminals tend to differ somewhat considerably, may well, as Miss Kellor herself points out, be a simple matter of class. So too, then, a great many other differences between the two types may be due to the harder conditions of life under which the poor as poor have to support themselves. Hence it would surely have been more scientific to have contrasted the criminal white and negro with the respectable white and negro of the same social grade. And even when the attribute criminality was by this means isolated, some further criterion, say, of a medical kind, ought to have been devised, whereby the abnormalities, if such there be, which predispose to crime could be separated from those which are but the products or by-products of the criminal life with its inevitable crop of dissipated habits. Not but that Miss Kellor shows herself to be fully aware of the plural character of the causes from which the specific cause, crime-producing abnormality, has to be disentangled.

Since, however, she invites criticism of her methods, one may perhaps venture to suggest that she should supplement her admirable descriptive work with an experimental inquiry into the nature of the analytic standards available in this branch of research. As regards the third, or sociological, group of her statistics, it would not seem that her investigations into the personal histories of her subjects throw much light of themselves on the social conditions that lead to crime in America. It is, indeed, highly probable that the French school of criminologists is right in supposing that this line of inquiry, rather than that which may be termed the anthropological, is destined to bear rich fruit. But the sociological causes of crime would seem to be primarily a matter for the historian and the economist. Or if the study of individual cases is to correct and amplify the rough-and-ready census methods on which history and political economy have mainly to rely, it must, at any rate, be concerted study over wide areas, and a study that does not regard the criminal who finds his way to prison as in any sense especially representative of the potentially criminal class.

Of Miss Kellor's other chapters those are, perhaps, most instructive which relate most closely to the subject she has made her own, namely, the female criminal of North and South. Her remarks on the increase in the criminality of women contain much that is new and valuable. On the other hand, the form in which her observations are uniformly cast, that of summary notes and suggestions jotted down under somewhat disconnected heads, does not favour the discussion of highly complex and debatable problems—such as, how criminal jurisprudence is to be reformed in accordance with certain "sociological principles" of something less than axiomatic certainty. Every page presents its happy thought—be it a training-school for prison officers, an institution for irreclaimables, or a special court for dealing with juvenile offenders. But concepts and atomic judgments prevail, where one would prefer to meet with articulate and explicit reasoning.

In conclusion, it is to be noted that the present volume throws much light on the psychology and social conditions of the Southern negro. One is surprised to find him—or, at any rate, *her*—coming out high for cleanliness, and low in respect to emotional endowment. Again, a rudimentary domestic life and a religion lacking all ethical basis are shown to be largely responsible for negro unprogressiveness; and one wonders how long it will be before the South sets itself seriously to create a system of education that shall substitute positive methods for such questionable negative expedients as lynching or the convict-farm. Miss Kellor writes without display of animus, and indeed is disposed

to make every allowance for the hampering force of tradition. At the same time she makes it pretty plain that in this matter science and philanthropy are on the same side.

R. R. MARETT.

STUDIES IN POLITICAL AND SOCIAL ETHICS. By D. G. RITCHIE, M.A., LL.D., Professor of Logic and Metaphysics in the University of St. Andrew's. [238 pp. Crown 8vo. 4s. 6d. Sonnenschein. London, 1902.]

Professor Ritchie's contribution to the "Ethical Library" fully sustains the practical and didactic scope of this excellent series. The eight occasional and exoteric discourses which compose the volume all aim at practice, and only take for granted, as their author points out in his preface, "that faith in the value and meaning of human society and human history which is implied in all serious political and social effort." They are designed to stimulate, and they should certainly exert a tonic influence on their readers. The three essays on "Equality," on "Law and Liberty," and on "Civic Duties and Party Politics," might perhaps be selected as the happiest examples of Professor Ritchie's singularly clear and persuasive faculty of presenting his case. He thinks concretely, writes brightly, and illustrates his theses with admirable humour. He has the precious gift of vivifying as well as of dissecting commonplaces, and of extracting new matter for reflection out of the most time-honoured convictions and platitudes.

Now and again, in the pure fun of dialectic, he pushes his criticism rather hard. One might select, as an instance, the severe punishment which he inflicts on the honest and well-meaning phrase, "Equality of opportunity." Like most phrases of the kind, it is certainly patient of misinterpretation ; but simply and literally construed, what is it but the claim that society should do what in it lies to mitigate those consequences of inequality which neither a philosopher nor a Christian would seek to defend ? If society cannot supply superior ancestors, it can at least attempt to provide, in a cleansed environment and an improved education, the best antidote to inferior ones. No doubt it were "a mockery to take an untrained man, with clumsy boots on his feet, and a trained athlete in proper costume, and set them to run a race, telling them it is quite fair, because they have an equal start." But the sincere advocate of equality of opportunity means much more than that. Certainly the race must go to the swift—who would wish it otherwise ? But the losers may be "speeded up;" they too will win profit of their running.

With the writer's attitude in one essay—that on "War and Peace"—

it is impossible to profess complete sympathy. The method adopted in it is rather negative and destructive, and it is not, perhaps, quite clear what Professor Ritchie would be at. But one puts it down with the impression that his intention has been to make out a case for war as a harsh form of dialectic, a rough means of solving hard problems, and against all those who speak of peace and charity as mischievous hypocrites or deluded visionaries. Professor Ritchie savours more of the rhetorician than the philosopher when he is poking fun at Quaker casuists, and referring to Christianity as "Oriental idealism." The essay goes on to cite a curious catena of authorities—the indirect (!) testimony of the Gospels, St. Augustine, St. Thomas, the XXXIX. Articles, the Westminster Confession of Faith, and Archdeacon Paley. Appeal is carried to history to show that the ashes of war fertilize the field of nations, and to extract from the plain reader the admission that he not only approves of war in the abstract, but has no very definite principle by which to discriminate wars which are just from wars which are unjust. Somehow the "evolutionary utilitarian" attitude towards war, when critically examined, is a little sordid and uninspiring. The hopeless heroism which fights to the death is treated as bad business ; the still higher heroism which suffers for the cause of peace, as inconceivable folly. Professor Ritchie has succeeded in showing that there are worse evils than war ; he has forgotten to demonstrate (though no doubt he himself takes it for granted) that war is an evil.

W. G. POGSON SMITH.

NEWEST ENGLAND. By HENRY DEMAREST LLOYD. [387 pp. 8vo. \$2.50. Doubleday & Page. New York, 1901.]

The publishers of this work claim that it is "the standard book of this great development of popular government in Australasia, and is perhaps the most important recent contribution to the study of democracy." This is high praise. But at least there is great interest in a study of the institutions of New Zealand and Australia by so keen an advocate of political and economic democracy as Mr. Lloyd has shown himself to be. Written in the disjointed conversational style of modern journalism, and enlivened by catchy titles and headlines ("A Man better than a Sheep," "Tramps made Taxpayers," "And then we smashed the Money Ring," are typical titles of chapters), the book contrives to present a mass of observations, anecdotes, opinions, and statistics, illustrating the various subjects with which it deals, in a most readable form, though with too much sacrifice of brevity and system.

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New Zealand (the principal subject of the book) is an experimental forcing-house for political theories ; among the plants whose growth Mr. Lloyd describes are State Insurance (ch. ii.), State railways (ch. iii.) ; State resumption and re-distribution of large estates (ch. vii.) ; State settlements for the unemployed (ch. ix.) ; State banking (ch. xi.) ; State loans (ch. xii.) ; State assistance to commercial enterprise (ch. xiii.) ; and State provision of old-age pensions (ch. xiv.).

It will at once be obvious that the distinctive mark of New Zealand government is State ownership and State control on an extensive scale. There is something here of the patriot's visions, something of the Socialist's ideal society in a palpable form. As Mr. Lloyd naively puts it, "There are no absolutely good governments or peoples, but some are not so bad as others ; and for New Zealand it may be claimed that its Government and people are 'the least bad' this side of Mars" (p. 11). If we ask how it is that the political theories, which in the Old World are still being smothered in blue books and parliamentary commissions, have in the New World become living and thriving realities, our author has his answer ready : "There is nothing really new or sensational about the New Zealand democracy. Its political novelties prove upon inspection not to be novelties at all, but merely . . . Old English in a new place" (p. 377). "A new place"—that is the key to the Australian politics : What is impossible in a country that has no traditions to keep up, and no vested interests to respect—above all, in a country where "there are no large cities, and can be none" ?

It may be regretted that Mr. Lloyd has not taken this radical difference between the Old and the New England as the text for a discussion of the universal as opposed to the merely local value of the political institutions of New Zealand. His enthusiasm somewhat dulls his critical faculties. For instance, an English reader cannot fail to be struck by the immense advantages to be derived from State ownership of railways, such as the reduction of profits, cheapening of rates, special encouragement to agriculture, and the like ; but he would fear the lower standard of comfort and efficiency which, even in New Zealand, public criticism can do little to raise. Indeed, both the State ownership of railways, and any such arrangement as "the Zone system" of railway rates (ch. iv.), is probably suitable only for a large undeveloped country, and would prove impracticable in modern England. Again, the attempt to counteract capitalism and the growth of large estates by graduated taxation has been a financial failure. Many big estates have, indeed, been parcelled out ; but there is a

small and decreasing revenue for taxation, as opposed to a very large one for tariff (ch. vi.).

Most interesting, perhaps, for English readers is the way New Zealand has tried to deal with her unemployed (ch. ix.). "The New Zealand idea is not to relieve the tramp or the unemployed temporarily with soup-kitchens, street-cleaning, or potato patches, but to make a citizen and taxpayer of him permanently" (p. 197). The method consists in "Improved Farm Settlements" and "Village Homestead Settlements"—"communities built on a foundation of land, labour, and co-operation." The total number of such settlements in 1899 was 210, containing 6509 persons, on an area of 109,109 acres: not only were the people prosperous and happy, but the Government recovered from them in rent and interest £5588 on an outlay of about £72,000: so that here, at least, social reform has turned out to be a good financial investment. The principle is a sound one.

Another very interesting experiment is the system of old-age pensions, which has now been working in New Zealand since 1898. About 1s. a day is paid to all over sixty-five, who can testify to good character for at least the last few years of their life (early misdeeds being overlooked), and who have an income of less than £52 per annum. In June, 1899, 9316 persons were in receipt of pensions under these conditions, and the numbers are, of course, steadily rising. "There can be no doubt that it (old-age pensions) has captured the heart of New Zealand. It is the most popular of all the advanced legislation of the last ten years" (ch. xiv.).

The Compulsory Arbitration Act of 1895 has probably aroused as much interest as any of the New Zealand reforms. "The compulsion of the law is threefold—compulsory publicity, compulsory reference to a disinterested party, and compulsory obedience to the law's awards;" it can be brought into action only by the wish of one of the parties concerned; and it is important to remember that it is based on the recognition of unions both of masters and men. The measure has entirely put an end to strikes in New Zealand: it is popular both with employers and employees; and it has not led either to a falling-off in the number of hands employed, or to any check in the growth of industry.

In these and other ways New Zealand has given the world a bold lead: to what extent it will be followed depends largely on the different conceptions we hold as to the functions of the State, and its relations to the individual. That is the great dividing line between the Old England and the New. Are not the State's duties positive as well as negative? Should it never interfere, even to help? Should

it never be paternal? Both on this fundamental question of principle, and on the various applications of it, no more stimulating and suggestive book could well be found than this of Mr. Lloyd's. It should be read, and thought about.

J. M. THOMPSON.

EDUCATED WORKING WOMEN: Essays on the Economic Position of Women Workers in the Middle Classes. By CLARA E. COLLET, M.A., Fellow of University College, London. [145 pp. 8vo. 2s. net. King. London, 1902.]

These six essays appeared in various magazines at intervals from 1890 to 1900. One of the six is unworthy of its permanent place, for it is no more than a lengthy and unsympathetic criticism of Mrs. Stetson Perkins's book on *Women and Economics*. The remaining five do not—and do not profess to—give anything like a complete picture of the present situation; but the prospects and the position of women are looked at from various points of view, and as Miss Collet—herself a very successful working woman—has earned a right to speak, not only about, but also to some extent on behalf of educated workers, her opinions are even more interesting and instructive than her skilfully arranged facts.

Miss Collet's is an industrial world, and "the cost and reward of the efficiency of women are the two factors which, in this book, are treated as being of primary, although not necessarily of the greatest, importance." So she tells us in her preface, and it is only fair to bear that in mind until the last page has been turned. For Miss Collet views even the most perplexing problems of the women's movement with a cheerful and invigorating buoyancy, and presents us with one-sided remedies which must be inefficacious even if, human nature being what it is, women could be prevailed upon to try them. Her most important essay is on "Prospects of Marriage for Women," and she prints a table of the proportion of unmarried women to unmarried men in the various parishes in London. Kensington tops the list, with 378 to 100; and Hampstead comes close after, with 366 to 100. "These statistics," says Miss Collet, "have been called startling and alarming. They may be startling to men, but can hardly be so to women of the upper class, and I fail to see why they should alarm any one. . . . It would be difficult to overrate the industrial effect of a number of well-instructed, healthy-minded, vigorous, permanent spinsters. . . . It is not marriage that is such a disturbing element in the women's wages question so much as the expectation of or desire for marriage;" and she commends those women who take "the more womanly course in

putting aside all thought of marriage." Miss Collet cannot satisfy herself with this view of the situation when she considers the women's question, not as an industrial matter only, but as part of a larger whole. Nobody knows better than she how great are the evils of early marriage and motherhood among the working girls and women who are not educated ; but she does not seem to appreciate the harm to the race caused by turning into "permanent spinsters" those women who are best developed mentally as well as physically, while motherhood falls to the lot of those wage-earners "who spend their youth under conditions too often injurious to mind and body." If this be the cost of industrial efficiency of women, it is not worth the nation's while to pay it.

But human nature is strong, and makes for righteousness in spite of all theory ; and Miss Collet's essay is ten years old, and many a phase of the shifting, changing women's movement has become antiquated in less time than that. It is a more grateful and a more agreeable task to turn to lighter pages, and to note, with gratitude, all that is said about the choice of professions for women ; about pocket-money wages ; about the extension of the active period of women's life ; about the cost of efficiency as compared with the cost of living. These are all questions of less far-reaching importance than the marriage question ; but, just for that very reason, more within our present scope and management. The essay on "The Expenditure of Middle Class Working Women" attracted some attention in 1898, when it was published, and is worth careful reading. But, if Miss Collet's figures and opinions are to be accepted, it is hard to avoid the doubt whether the present mode of existence of educated working women is economically justifiable. They are very expensive machines to keep going, and sooner or later the question must be faced : Are they—and especially as "permanent spinsters,"—are they, for the sake of the work that they do, worth having at their price ?

E. A. BARNETT.

MUNICIPAL ADMINISTRATION. By JOHN A. FAIRLIE, Ph.D.,
Assistant Professor of Administrative Law in the University
of Michigan. [448 pp. 8vo. 12s. 6d. net. Macmillan. New
York, 1901].

Professor Fairlie has included within his field of view all the leading countries of Europe, as well as the United States itself. He classifies his subject under four headings—the history, the activities, the finances, and the organization or sphere of government and administration, of municipalities. He defines the term "municipality," as applied

in Great Britain and the United States, to "any subordinate public authority created by the central Government and vested with the rights of a corporation." He distinguishes between cities founded for political or military purposes and those springing up in order to utilize commercial or industrial advantages. Washington and Chicago at once occur to the reader as prominent examples of the two types, though they are not quoted by the author. He lays down the somewhat disputable proposition that the former can possess no basis or permanence as a community until they have become centres of commerce or industry, as well as of government or defence. The instances of Portsmouth and Brest, which have owed their centuries of prosperity to their strategic importance alone, and of the deserted mining towns in Australia and in the States themselves, may be cited in opposition to this view.

Professor Fairlie touches only very lightly and briefly upon the much-debated advantages of the municipalization of commercial undertakings. The difficulties which he sees in instituting comparisons between commercial undertakings run by town councils and those in private hands are perhaps somewhat exaggerated, as when he instances differences in local conditions as to wages, prices, etc. Such differences exist also between private enterprises, such as railway companies, and ought, of course, to be allowed for, but they do not render comparison between them impossible. Among the advantages of municipal control are enumerated the ability to borrow at a cheaper rate (in itself, by the way, a temptation), and the absence of "watered" stock on which interest has to be paid. As a make-weight, private companies secure more efficient management because they pay better salaries, and the control exercised by boards of directors is more likely to be competent than that of a town council because exercised by a more stable body. In New York, and a number of other American cities, the borrowing power of a municipality is limited by law to a fixed percentage of the "assessed valuation of property," i.e. of the capital value of the property within its jurisdiction. The limit is 2 per cent. in Boston, but 10 per cent. in New York. The ownership of monopolies by the municipalities is recommended, and, indeed, put at the lowest, it must be admitted to be the less of two evils.

The concluding chapter of the book quotes copiously from the programme of the National Municipal League, a body founded to promote some much-needed reforms. Among these may be noted a constitutional amendment prohibiting legislatures from passing any private or local bill granting exclusive privileges, immunities, or franchises, and also the imposition of a limit on the debt incurred by municipalities,

except when incurred for temporary revenue or for revenue-producing undertakings, and also a limit on municipal taxes.

Professor Fairlie's work affords a useful compendium for the comparative study of methods of municipal government. The numerous tables of income and expenditure should, however, have been reduced to a uniform monetary standard, instead of being quoted sometimes in dollars and sometimes in the currency of the country to which they refer.

C. H. D'E. LEPPINGTON.

A COLONY OF MERCY. By JULIA SUTTER. [238 pp. Crown 8vo. 1s. Marshall. London, 1902.]

CITIES AND CITIZENS. By JULIA SUTTER. [309 pp. Crown 8vo. 6s. Marshall. London, 1902.]

Miss Sutter's *A Colony of Mercy* is a very instructive and fascinating book. There are many people who are full of sympathy for the suffering, but who are dissatisfied with the ignorant sentimentality of some philanthropists, and chilled by the coldness of the social economy of others. Such people should read this book. It is an account of a vast institution in Prussia, combining all the practical sense of the economist on the one hand, with all the warm-hearted tenderness of personal charity on the other ; and it is described with an enthusiasm and an insight that make it a difficult book to lay down. The book gives an account first of the department for epileptics. There is hardly a class, as the writer points out, which suffers more ; the disease is revolting, and yet, in many stages, not incapacitating. In this "Bethel," as it is called, the epileptics are provided with work of which they are capable, thus being saved from a melancholy that otherwise would in many cases end in insanity ; and they are surrounded with personal human tenderness. Another department consists of branches for the training of deacons and deaconesses, who work at nursing and other employments both at home and in the missionary field.

But more perhaps should be said here of the Labour Colony, called "Wilhelmsdorf." It is claimed by the writer that Pastor Bodelschwingh, the director and practically the founder of this huge institution, has been the originator of the system now spread through Germany, by which the once vast army of tramps has been broken up, part to find their way back to employment, and part, consisting of incurable idlers, to be compelled to idle elsewhere. From the account Miss Sutter gives, it would seem as if Pastor Bodelschwingh has indeed gone far to solve the problem of the unemployed, so far as his own country is concerned. He began by perceiving that there were two elements apparently

useless—waste labour and waste land—which if brought together would become productive ; so he began by admitting all tramps, who would work, to his colony, under sensible and business-like conditions. All are provided with clothes, under a strict contract that they must ultimately pay for them by labour ; they begin by working without wages ; then after a fortnight they receive $2\frac{1}{2}d.$ a day and rise to 5d. Piece-work, however, is strongly encouraged. When the men have been so far reclaimed as to be capable and desirous of a situation, they tramp and work their way to one, by means of an elaborate but straightforward system, and upon arriving find the sum of the wages they have earned in the colony awaiting them. The system, as a whole, is intended to act as a bridge from vagrancy to respectable employment, and results seem to justify it. From this beginning has spread a vast organization, over Germany, of relief-stations, supported by voluntary contributions, aided by a Government grant, and controlled from headquarters at Berlin. Since these stations form an organic whole, it has been found comparatively easy to form a system, too long to be described here, by which the tramp is controlled, saved from mere vagrancy, and helped back to decent work.

Yet another department in this great “Colony of Mercy” is the system by which a workman may obtain a house and garden of his own, if he will work steadily for some years ; and, as the writer points out, the real personal possession of property is the best antidote to discontent. The system briefly is as follows : The “Bethel” raises a loan at $3\frac{1}{2}$ per cent. on its own security, and then lends this sum to the workman on the same terms, also demanding that the capital be paid back by easy stages. For example, a house with garden costs £325 : the annual rent amounts to £11 7s. 6d. : the top story is sub-let at £7 7s. 6d., the acquirer having the bottom story of at least three rooms and a kitchen at £4. He also pays back the capital at the rate of 2 per cent. at least. This makes a total of £10 10s. per annum. When the capital has thus been paid off the house becomes his own. Another scheme is by raising subscriptions sufficient to pay the difference between the $3\frac{1}{2}$ per cent., on which the house is let to the workman, and the 4 per cent. demanded by saving banks on loans. But the plans seem endless, and all as sensible and practical as possible. These, however, do not by any means exhaust the departments of Bethel, though they are perhaps the most prominent. No doubt, the secret of this great success must lie to a great extent in the personality of the director. An organization of this kind, with a martinet at its head, could hardly help failing ; but Pastor Bodelschwingh seems one of those rare geniuses who combine the practical sense of a business

man with the tenderness of a real lover of souls. The writer of the book is evidently a deeply religious person, and, as she says in her preface, has brought away from Bethel "a vision of a programme of Christianity realized."

Another book by the same author, *Cities and Citizens*, gives an account, not of a detached colony, but of charitable work among the poor in their own homes. Two of the chapters are devoted to a short outline of German methods of charity organization. Briefly it is as follows : The whole of the distribution of outdoor relief, with all that it involves, is organized in one central civic department. The cities of Leipzig and Elberfeld, whence the system takes its name, are divided into districts placed under the charge of inspectors, who are voluntary and practically unpaid, and who are drawn from all classes. There is no difficulty in inducing even busy professional men to devote time and labour to this work, for fortunately the post of "helper" has become a coveted distinction. Each helper has not more than three or four persons under his care ; each group of twelve or fourteen helpers is presided over by a captain ; and the captains form a central board, headed by a civic body of guardians. Each helper is bound to visit his charges regularly and frequently, to be at home to receive applications three or four times a week, and to report at the board-meetings at least once a fortnight, for no allowance runs for longer than this without fresh sanction from the board. By this system the condition of the people is thoroughly known, and it is scarcely possible either for the really needy to become destitute, or the fraudulent to live on charity. Perhaps the most important principle of the whole system, next to that of centralization of all charity, is that it seeks, not to relieve the destitute, but to prevent any person from becoming so, in this affording a strong and welcome contrast to our own system. Of course, the whole scheme, voluntary as it is, is only capable of existing in a country where the duties of citizenship are really understood, and in a city which believes that it is responsible for the welfare of its own children. Equally careful is the system in Leipzig which provides for illegitimate children. For these, too, the city believes itself responsible. The children whose mothers cannot keep them in decency are boarded out under the strictest possible system of inspection, which makes the horrors of baby farming, such as we are familiar with in England, absolutely impossible. Each child has a visitor, who is bound to inspect it once a fortnight, and is liable to pay a surprise visit at any time. The mother, when possible, is compelled to pay something towards the keep of the child, and the father also, where he can be identified : and such is the success of the system that over

90 per cent. of these fathers are known and registered. It is needless to say what a check this is upon immorality.

At Elberfeld, again, there is a further branch of women's work in the Ladies' Guild. These ladies, like the male helpers, are civic functionaries. They are allowed to help only with food and clothes, and by providing work. In the case of application for relief, the worker is bound to send in a report if she recommends the case ; and all details are looked up in the records of the board before relief is granted or refused.

The rest of *Cities and Citizens* is practically an appeal to England to realize and to deal with her own responsibilities ; and in these chapters the authoress allows herself to preach a little too much. The appeal would have been all the stronger if it had been less verbose and less full of irrelevant topics. Rightly or wrongly, many readers will become impatient with the temper of her attacks upon wealth, her views upon the drink question, and upon the mutual relations and individual values of various religious bodies. Her forte lies not in these accounts of her personal views, but in her business-like statements of facts, her great powers of description, and the evident depth and sincerity of her love for suffering humanity.

HUGH BENSON.

QUAND LES PEUPLES SE RELEVENT. Par HENRI MAZEL.
[355 pp. Crown 8vo. 3 fr. 50 c. Perrin. Paris, 1902.]

The title of this book would afford a surer clue to its contents if for "Quand" there were substituted "Comment." The argument falls into two parts, the former dealing with the universal conditions of national regeneration, the latter with those more particularly interesting to Frenchmen. Meanwhile, it is no scientific treatise that we are here concerned with. On the contrary, our critical canons must be such as we should be ready to apply to Mr. Mallock's *New Republic*. A number of representative characters are brought together in a country-house, each of whom has his own drastic cure for a decadent people. There is the professor of moral and political philosophy, the senator, the deputy, the president of the Chamber of Commerce, the doctor, the general, and the "plain man." No one of them has it all his own way. Behind his puppets can easily be discerned the author, proclaiming that salvation lies, not in any one remedy, but in all of them taken together.

For the rest, however, the positive views of the writer are hard to make out. Probably he is anti-Dreyfusard, and anti-Semitic, sympathizing with Catholicism, though "from without;" and almost

certainly he would make colonial expansion a supreme goal for the energies of a revitalized France. But we can never be quite sure that we have succeeded in making the "dramatic equation." What sounds like conviction may be portraiture—nay, even satire. The doctor, for instance, gives dogmatic utterance to the wildest theories concerning the racial co-efficient in national character as determined mainly by craniological considerations; nor are his practical suggestions for establishing "purity of blood" in France a whit less chimerical. Now, if the author is prepared to support "to the foot of the letter" the opinions of this representative of "anthroposociology," as we are bidden to term it, Heaven help him! But is he? It may well be that he is depicting more or less sympathetically the typical scientist "of one idea." After all, when distinguished persons in France take, as one at least has recently done, to writing books on "cosmosociology," in which such practical suggestions are offered to mankind as that each of us should acquire tolerance by learning to profess two religions at a time, no wonder if the satirist is moved to take his chance. Let us, then, be on our guard lest, in seeking to demolish this or that specious doctrine as herein set forth, we merely tilt at windmills. One and all, they are "hypotheses in the air," as one of the characters says; and their function is seemingly to stimulate the imagination rather than to instruct the reason.

Finally, one may notice that economic subjects proper do not provide much of the material for discussion. The president of the Chamber of Commerce, one might almost venture to declare, is the dull dog of the party. Even he, however, in this book, in which every one is witty, and clever, and reasonable, and good-tempered, and delicate in regard to delicate topics, has his happy moments; as, for instance, when in harping on the text "*Repeuplons!*" he expatiates on what might have been for France, had not the population of England, "not through any merit of the race, but by a happy coincidence," expanded *pari passu* with the expansion of her territories.

R. R. MARETT.

SHORT NOTICES.

THE HISTORY OF TRADE UNIONISM. By SIDNEY and BEATRICE WEBB. [xxiv., 558 pp. 8vo. 7s. 6d. net. Longmans. London, 1902.]

INDUSTRIAL DEMOCRACY. By SIDNEY and BEATRICE WEBB. [lxii., 929 pp. 8vo. 12s. net. Longmans. London, 1902.]

Mr. and Mrs. Sidney Webb have again deserved our best thanks. Indeed, it would not be easy to overestimate the value and importance of their admirable and masterly work in connexion with these two books, which are not likely to be superseded for some time to come; and they have now increased our debt of gratitude by publishing new editions at less than half the original cost. In each volume the authors have added an introductory chapter, but otherwise the present editions are practically identical with the form in which they first appeared.

In the new chapter of the *History of Trade Unionism* the authors have brought the statistics of trade unionism up to date (there are now some two million trade unionists in the United Kingdom), and have noted briefly the outcome of the more significant trade disputes since 1892. Among other noteworthy points, they mention that the "labour organizer," as distinct from the "general secretary" or "trade official," has become a less prominent character.

The introductory chapter to *Industrial Democracy* is most interesting and instructive. The authors sketch the change which has taken place, both in law and public opinion, with regard to trade union action in general. They hold that the trade unions should not ask for a restoration of their former freedom from legal proceedings; and that, if the legal rights and liabilities of trade unions were clearly defined, there would be no valid reason why they should not be sued for wrongful damages in their corporate capacity. There is also a further discussion of the method of determining industrial conditions by legal enactment, as it has been applied in Australia and New Zealand. In Victoria, the powers of the special "wage boards," which can fix and enforce a legal minimum wage, have been gradually extended over the whole colony; while the Courts of Arbitration in New Zealand have passed beyond their primary purpose of affording means by which trade disputes could be amicably settled, and are now being used for what is practically the legal regulation of the general conditions of trade and industry. This double experience, which now extends over several years, suggests that British trade unions will

probably change their opinion in regard to the relative merits of collective bargaining and legal enactment.

LE MARQUIS DE MIRABEAU. Ses théories politiques et économiques. Par HENRI RIPERT. [460 pp. 8vo. Rousseau. Paris, 1901.]

This is an exhaustive account of the theories of the father of the more famous revolutionary statesman. The style of the marquis was diffuse, his popularity was merely ephemeral, and his writings are of no permanent value. A shorter and more concentrated account of his work would have been more desirable for modern students. The marquis started with a strong class feeling against the officials of the centralized monarchy, and in favour of potent residential noblemen and squires. He expounded the merits of the provincial governing bodies of the *pays d'états*, and, to use English phrases, would have been glad to universalize county councils. He was a freetrader, because he thought that free trade would assist agriculture. As a critic of existing social abuses, he is one of a chain of writers who dilated upon the poverty of the peasantry, the evils of the *corvées* and of over-taxation, the extravagance of parasitic courtiers, and the anti-social character of the new class of financial speculators and dividend-hunters.

In middle life Mirabeau became a convert to Quesnai's doctrines, and devoted the rest of his life to propagating them with unceasing enthusiasm. Mirabeau already believed in the fundamental importance of agriculture, and in the advantages of free trade. Now these two doctrines became parts of his physiocratic system, and were believed with increased tenacity ; while new ideas were handed on from Quesnai to Mirabeau. These were the advantages of the "single tax," and the belief that there was one absolutely ideal or "natural" system of social order and of economic theory, roughly to be described as that of individualism, introduced and maintained by one national legal system, and to be administered by local organs.

THE SOCIAL EVIL, with Special Reference to Conditions existing in New York. A Report prepared under the direction of the Committee of Fifteen. [188 pp. 8vo. 5s. net. Putnam. New York, 1902.]

This Report presents, first, a careful and sober study of what is admittedly the most difficult and delicate problem with which civilization has to deal ; and, secondly, a set of practical recommendations for reform in this connexion by the Committee of Fifteen.

Part I., which was compiled by Mr. Alvin S. Johnson, when Fellow in Economics at Columbia University, is a clear and concise summary of the evidence furnished by various attempts to cope with this terrible evil. The general conclusion is that "experience has shown the futility of measures that aim to abolish the evil." But, while statistics as to the actual effect of regulation are extremely doubtful, "there is every *a priori* reason to believe that its extent may be limited by a judicious policy of prevention."

The recommendations of the committee are summarized in the following passage: "The better housing for the poor; purer forms of amusement; the raising of the condition of labour, especially of female labour; better moral education; minors more and more withdrawn from the clutches of vice by means of reformatories; the spread of contagion checked by more adequate hospital accommodations; the evil itself unceasingly condemned by public opinion as a sin against morality, and punished as a crime with stringent penalties whenever it takes the form of a public nuisance."

The Committee of Fifteen was appointed in November, 1900, after a meeting of citizens at the New York Chamber of Commerce, and is much to be congratulated on the result of this inquiry. It is also very encouraging to observe that, since the overthrow of the Tammany Hall clique in 1901 (in which the Committee of Fifteen had a prominent share), it has not been necessary to undertake "any further work of a police nature or having to do with the supervision of public morals."

POLITICAL NATIVISM IN NEW YORK STATE. By L. D. Scisco, Ph.D. [260 pp. 8vo. \$2.00. Columbia University. New York, 1901.]

From the beginning of the nineteenth century the Irish immigrants into America were obnoxious to the "true-born" Americans. But this latent conflict of feeling was only occasionally coincident with the party fight of Republican *versus* Democrat; and only temporarily rose to a height in the formation of an independent political party.

First came the nativist ticket in New York City and State; then the American Republicans; then the secret societies (ritualistic benefit societies and masonic brotherhoods); and then the Know-Nothing Order of 1853 (so called because its members at first "knew nothing about it"). Nativist legislation in New York State was put aside by the Legislature, and when Southern men dominated the Democratic party and the Know-Nothing Council, the movement was seriously injured, and Republican support largely lost. In 1856 the nativist council

abandoned the pro-slavery position, and nativists again merged into the Republican party. There was a slight revival in 1866, and there is a clamant Protestant party to-day, which is philo-English, and generally on the fringe of the Republican imperialist and protectionist party. It forms an opposition to the immigration of destitute aliens, and to the public financing of Roman Catholic schools, but is otherwise not likely to become nationally important. Generally speaking, American complacency is so strong that it is felt that even Irish Celts will ultimately imbibe American ideas.

ANNUAIRE DE LA LEGISLATION DU TRAVAIL : Publié par l'Office du Travail de Belgique. 4 année, 1900. [xv., 905 pp. 8vo. 4 fr. 60c. Brussels. 1901.]

This is a most useful collection of the legislation of the whole civilized world with regard to regulation of labour and wages, accident insurance, old age pensions, and the like. No less than 180 pages are devoted to British colonies, and it is a little humiliating to national pride to reflect that it is most convenient to consult a French book published by the Belgian Government, if we want to follow the legislation of New Zealand, Victoria, and New South Wales about old age pensions, or that of South Australia and Queensland as to the early closing of shops, or that of New Zealand and South Australia as to workmen's compensation.

COMMERCIAL TRUSTS : The Growth and Rights of Aggregated Capital. By JOHN R. DOS PASSOS, of the New York Bar. [137 pp. Crown 8vo. 5s. Putnam. New York, 1901.]

In this book we have the corrected and revised report of "an argument," which was presented to the Industrial Commission at Washington, on December 12, 1899. The author deprecates being regarded as an advocate who had been retained to represent the case of the corporations, but it must be confessed that his rhetorical pleading hardly bears the character of an independent and impartial study of the problem under consideration.

In approaching this question, Mr. Dos Passos displays two strong prejudices. He has a very poor opinion of the value of legislation; indeed, in his view, "every law that you make is, as it were, a nail in the coffin of natural liberty." And he is anxiously concerned for the rights and privileges of property. "The men who occupy the elegant residences on Fifth Avenue" and elsewhere, he says, should be proudly pointed out "as types of American citizenship, and as proper incentives to young people of the present age."

From this standpoint, while recognizing possible dangers to the community from large aggregations of capital, Mr. Dos Passos urges that the time has not yet come for any drastic measures on the part of the State. There are, he holds, only two kinds of monopoly in the United States—viz. the monopoly in patents, and the monopoly which arises from the grant of a special charter by a legislature. And while he admits that a commercial Trust may amount to a virtual monopoly, he argues that, since "this is a monopoly *in fact*—a monopoly which *results* from the condition of existing things,"—it is quite outside the range of old legal restrictions upon the establishment of monopolies.

A NATURAL OUTCOME OF PROTECTION.

A FEELING of uneasiness is always engendered when the Board of Trade Returns show a tendency for exports to decline or for imports to increase; and it is useless for economists to argue that, since exports must necessarily be sufficient to pay for imports, declines in the value of the former and increases in that of the latter are indications of enhanced prosperity. The ordinary observer feels convinced that there is a leakage somewhere; and, as a rule, he is right. When it is borne in mind that the annual value of the imports of which cognizance is taken in the Official Returns amounts to over £500,000,000, and that of exports to less than £350,000,000, the discrepancy between the two totals being accounted for by items such as interest on foreign investments and payments for services rendered to foreigners none of which can be accurately analyzed, it is quite evident that there are plenty of ways in which a leakage may occur. For many years we have been accustomed to receive very large sums for interest on foreign loans, banking commission, and freight, all of which constitute important invisible exports in the sense that they may be set against equivalent values of imported goods. But interest, commission, and freight do not by any means exhaust the list of invisible exports. An item which merits far greater attention than is commonly bestowed upon it is the transfer of capital. Until quite recently we were chiefly concerned in transactions of this nature as lenders only; and it is indeed fortunate for us that we succeeded in the past in acquiring an imposing array of foreign investments, paying for them out of the profits on foreign trade. There is, however, ample evidence that during the last few years our tendency has been to part with British securities rather than to acquire fresh foreign investments. No doubt the

dictum of economists that exports must necessarily be sufficient to pay for imports is perfectly correct ; but, so far as the gap between visible imports and visible exports is filled by the transfer of British securities or other assets of a similar nature, the circumstance is not one to give rise to national rejoicing.

The recent transfers of capital have been made almost exclusively to the United States, the extraordinary growth of whose foreign trade has been one of the most remarkable features of the last few years. For the year ended June 30, 1901, the exports of American merchandise exceeded imports by 664,592,826 dollars, or approximately £138,000,000. During the same period our imports exceeded exports by £181,131,566. These figures are significant ; and it is, perhaps, not surprising that protectionists should make use of them to draw comparisons between the fiscal systems of the two countries greatly to the disadvantage of free trade, especially as a portion of the excess of British imports and of the excess of American exports is accounted for by the transfer of securities from Great Britain to the United States. It is, however, an undoubted fact that the South African War has had a very appreciable effect in increasing the cost of living in England. Hardships which there were no means of evading have thereby been inflicted upon the poorer classes ; but there is evidence that the more prosperous classes have been by no means so seriously incommoded by increased cost of living as might have been expected. The reason probably is that they have yielded to the temptation of realizing a portion of their capital and living on the proceeds, instead of depending entirely on their incomes. Although sales effected with the object of transferring capital into current income would individually be of trifling importance, they might in the aggregate represent a very considerable sum ; and, wherever the purchasers have been foreigners, payment has taken the form of imported goods. Far too much importance has been attached to the investments recently made by Americans in England. The mere fact that those investments only assumed prominence after the war had been in progress long enough to have a weakening influence upon our financial system should be sufficient to suggest

the probability of the conditions under which they were made being aggravated by temporary causes. It is certainly the case that the financial strain caused by the war hampered the development of British trade, and thus tended to reduce the volume of our exports. A consequence of the diminished activity of British traders abroad was that the Americans were able to sell goods in foreign markets at higher prices than would otherwise have been possible. In any case it is difficult to see how we should have passed through the ordeal better under a system of protection.

Customs duties increase the expenses of production of any given commodity by at least the amount of the taxes paid upon all dutiable articles used in its manufacture. It is therefore perfectly obvious that a protective tariff must result in the enhancement of the prices of all commodities manufactured wholly or in part of goods which come within its scope; and inasmuch as the finished articles of one trade are raw material for another, the increased price of home-produced commodities made wholly or in part of imported goods on which duty has been paid must necessitate an addition to the prices of all other commodities in the manufacture of which they themselves are used. Thus a protective tariff is highly cumulative in its effects; and if, as in the United States, it covers nearly all imported articles, its ramifications must extend to practically every branch of industry. Clearly, therefore, it must, in every case, lead to an increase of general prices. Although the value of the special (*i.e.* home-produced) exports from the United States is greater than that of the special exports from the United Kingdom, our exports, including *entrepôt* trade, are far in excess of those of any other country, not even excepting the United States; and this result is chiefly due to the fact that we are able to undersell our competitors in foreign markets. Comparatively small import duties would in many instances destroy our capacity to do so; and the imposition of import duties sufficiently high to furnish particular industries with adequate protection from foreign competition would most certainly lead to a wholesale decline in the volume of our export trade. An overwhelming proportion

of our imports consists of articles of food, raw materials, or goods for the production of which there are no adequate facilities in this country. The imported articles which, in the present state of our agricultural and commercial development, we might conceivably produce ourselves bear a relatively unimportant proportion to the total, and in order to ensure their production at home it would be absurd even to run the risk of dislocating an enormous foreign trade. Probably no one wishes to tax raw materials, or, unless it be merely for revenue purposes, goods which we are unable to produce ourselves. It is, therefore, only in regard to agricultural produce that there is any real scope for a protective tariff. Complaints are constantly made in industrial circles that there is an increasing tendency for the production of manufactured goods to exceed the demand for them at remunerative prices. Surplus stocks accumulate, and can only be disposed of by reducing prices and thus invoking fresh custom. Despite this fact, however, capital employed in the manufacturing industries increases not only by its own normal growth, but by the diversion of other capital formerly devoted to agriculture. This diversion of capital has, for several years, been very marked; and, as it takes place under a system of free trade, it points unmistakably to the conclusion that England affords increasingly better facilities to the merchant than to the farmer. Viewed economically, any artificial attempt to cause capital to be invested in agriculture would therefore be unnatural, and would diminish the capacity to produce wealth, thus prejudicially affecting the general well-being of the country.

In most countries the fear of producing more goods than can be disposed of at remunerative prices operates strongly in the direction of inducing manufacturers to limit their output; but in the United States it is the general practice of manufacturers to keep their machinery working at the highest possible pressure. One would naturally expect, therefore, that overproduction would occur much more frequently, and that its stages would be far more strongly marked in the United States than elsewhere. But, as a matter of fact, American manufacturers

complain less of inability to find a market for their goods than do the manufacturers of any other country. The explanation is that the fiscal system of the United States confers upon them such immense facilities for reaping a good harvest at home, that they can well afford to dispose of surplus goods by methods which would result in speedy ruin, if attempted by manufacturers who were not similarly protected by customs tariffs. It is naturally the aim of manufacturers to secure the maximum rate of profit; they cannot be expected to take a philanthropic interest in their customers; and if combination affords the best method of enabling them to earn high profits, a tendency for businesses to be amalgamated is bound sooner or later to exhibit itself. The duty charged on goods imported into the United States is so high that, in the majority of industries, foreign competition is out of the question; and American financiers rightly concluded that in order to prevent the supply of goods offered for sale in their domestic markets from exceeding the limits of effective demand, it was only necessary to curb internal competition. To form themselves into unions was the most natural way to achieve this end. Amicable arrangements between a few of the most powerful firms in each branch of trade were sufficient to form a satisfactory nucleus; and as the ostensible object of such unions was to maintain prices, and consequently to secure a high margin of profit, business men might be expected to regard them with favour. Every addition to the ranks of firms amalgamated under such conditions renders easier the process of cajoling, or ultimately of forcing, dissenters into joining; and, once the unions were formed, it is not surprising that, with the view of effecting working economies, the management of the several businesses composing them should be merged into a central committee. It is precisely on these lines and for these motives that "trusts" have been formed in the United States. It is frequently argued that the establishment of a trust often results in an immediate fall of prices; and, in support of this contention, it is customary to point to the history of the Standard Oil Trust. The principal reductions of prices made by that powerful institution were, however,

effected when it was in keen competition with other businesses. On the other hand, each extension of its monopoly marked a sharp rise of prices; and subsequent falls only occurred when the expansion of its business brought the trust into contact with new and more distant competitors. As soon as a complete control over output had been acquired, prices remained stable. Probably in a few instances the advent of a trust has been followed by reductions of both wholesale and retail prices, which are not traceable to coercive designs upon outstanding interests. But the fact that such reductions have taken place does not in any way impugn the truth of the statement that the motive for the integration of capital is the hope of augmenting profits. As Mr. J. A. Hobson has conclusively shown, there is everywhere a tendency for capital to increase at a faster rate than population; and the more marked this tendency becomes, the more difficult it is to secure remunerative investments. The disproportionate growth of capital inevitably leads to greater competition in every branch of production. Consequently there has been, and still is, a tendency for general prices to decline. A chief aim of the trusts is to prevent by artificial means an increasing employment of capital in their own spheres of activity. Any losses arising from reductions of prices following the acquisition of a stable monopoly can easily be made good out of the savings effected through economies of management and working. In any case they are of trifling importance compared with the losses which would inevitably occur through sheer stress of competition, if trade were allowed to develop on natural lines. Spontaneous reductions are, moreover, made to serve a definite purpose: they help to reconcile the public to the trusts, the real motives of which they tend to obscure.

Without the support of a protective tariff, trusts in the majority of instances would prove futile. It would be useless to take elaborate measures to obtain control of home trade, if foreign competitors were in a position to benefit by every increase of price, or any failure to reduce it in conformity with the normal decline in the value of capital. Keen men of business in other countries would certainly be attracted by a

market made artificially advantageous to producers, and would pour into it such a stream of goods as would speedily force prices to their natural level. Under a system of free trade, trusts would only be possible in those industries in which special conditions set up barriers strong enough to stand without the adventitious aid of a customs tariff. Doubtless the partial monopoly which Pennsylvania possesses in oil would render the Standard Oil Trust quite feasible whether there were a duty on oil imported into the United States or not; and, as the world is so dependent upon American wheat for its food supply, the same could probably be said of a wheat trust, were it possible to reconcile the widely diverging interests involved.

So long as the American tariff remains strictly protective, the trust system will no doubt be extended; and the continued development of the tendency for capital to increase at a faster rate than population may be expected to accentuate the rapidity of the extension. When a trust obtains such complete control over an industry as the Standard Oil Trust has obtained over the production of oil, or the American Tobacco Company over the sale of tobacco, that industry becomes, as it were, sealed up, and is no longer available for the investment of fresh capital. Consequently any surplus profits earned in it, which it is desired to add to capital, cannot be invested in the same branch of commerce, but have to be transferred to non-trust industries. These latter have, therefore, to bear the whole brunt of the ever-increasing competition to find outlets for redundant capital. This abnormal competition of capital necessarily adds largely to the difficulties of conducting any industry on individual lines side by side with other branches of commerce controlled by trusts. The mere necessity of preventing their own trade from becoming a dumping ground for surplus capital is quite sufficient to induce business men, who might otherwise wish to preserve their individuality, to erect trusts for themselves in sheer self-defence.

The plan on which the American trusts at first depended was to limit production to the amount for which there was an effective demand at remunerative prices. This plan was followed by the

Standard Oil, Whisky, Cotton Bagging, Sugar, and other trusts. It, however, necessarily involves a partial loss of the economies resulting from production on a large scale; and, what is still more important, it inevitably leads to labour troubles. When a trust obtains complete control over an industry, it is in effect the only employer of labour in that branch of commerce. If, therefore, it determines upon a limitation of output, the workmen whom it discharges are unable to pursue the employment to which they are accustomed. In such cases, through pure inability to find a market for their specialized labour, competent artisans are driven to join the ranks of unskilled workmen. It was impossible for the trusts to limit their output to such an extent as successfully to prevent overproduction without at times discharging large numbers of employees; and, as the wholesale suffering thus caused could be directly traced to a few great capitalists, a popular outcry against the continued existence of trusts must have arisen if their original methods had been adhered to.

In order to prevent friction with their employees, and at the same time to secure, in the highest degree, the advantages of production on a large scale, the trusts abandoned the policy of limiting their output. They, however, by no means attempted to sell surplus goods in the United States. They quickly realized that it suited their interests better, when overproduction ensued, to export any commodities left on hand after satiating the effective demand at remunerative prices at home. The ability of the more powerful trusts to control prices in the United States is absolute. Domestic competition is practically nonexistent; and the high protective tariff places immense obstacles in the way of foreigners. It is quite possible for prices to be fixed at a level higher by the equivalent of duties levied on importation than the prices charged on similar articles in free markets abroad. When it is considered that, under the existing American tariff, import duties are seldom less than an *ad valorem* charge of 35 per cent., and are frequently much higher, it will at once be seen that the trusts possess enormous powers of bolstering up prices. And, as the tariff is the measure of their power in this

direction, there is an obvious motive for the constant agitation which they maintain for its further increase. It is true that trust prices are not, as a rule, so high as could safely be imposed without running any serious risk of foreign competition. But, whenever prices are below the maximum, the circumstance is entirely due to elasticity of demand; the stimulus given to consumption by a reduction of price is sufficiently great to result in an increase of profit. In short, the trusts are in the position of monopolists. Their aim is to ascertain the prices at which the highest profits can be secured, and to adhere to them. Effective competition would inevitably force prices to a lower level; but the American tariff grants the trusts complete immunity from any fear of effective competition.

Being in absolute possession of the American domestic markets, the trusts can well afford to employ the very best machinery and to make use of every advantage afforded by production on a large scale. But, despite the constantly increasing rapidity of the growth of the American markets, production on the lines adopted in the United States is bound at times to outrun demand. Surplus goods accumulate, and it becomes impossible to dispose of them at the prices fixed by the trusts. To force a sale at home by reducing prices would necessitate similar reductions in the future output, until such time as the surplus had been got rid of. Probably this would entail the necessity of permanently lowering prices, and thus reducing profits. Clearly, therefore, this measure would only be resorted to in the last extremity. The trusts realize that a far more advantageous method of disposing of surpluses is to ship them wholesale to foreign countries, so that, if any markets are to be "spoilt," their own, at any rate, may be preserved. Illustrations of the extent to which surplus goods are exported, and of the prices at which they are sold, are readily forthcoming. Last year the average price at which steel rails were sold in the United States was 29 dollars per ton; the approximate cost of manufacture was 16 dollars per ton: but Mr. C. M. Schwab, who doubtless foresaw that the demand in the United States would not be sufficient to absorb at the price of 29 dollars per ton the

whole output of the Steel Trust, of which he is the president, publicly announced his readiness to deliver steel rails in England for 16½ dollars per ton. Rather than make any reduction in the artificially inflated prices charged in the United States, the Steel Trust was prepared to sell its surplus output abroad at a price which, after allowing for freight, was considerably less than the actual cost of production.

As the output becomes more and more in excess of effective demand, the quantity of surplus goods exported from the United States must, in the normal course of events, tend constantly to increase. But as little or no profit is made upon these surplus goods—sometimes, indeed, an actual loss being incurred, as in the case of steel rails,—it is clear that they cannot bear a high proportion to the goods sold in the United States, on which alone the trusts depend for their profits. Largely increasing exports from the United States are not therefore likely to be viewed with favour by the trusts. Frequently they are due to overproduction; they mark an expansion of wholly unprofitable business not coupled with an extension of remunerative trade at home. When surpluses pass certain well-defined limits, it is to the interests of the trusts to reduce prices in the United States, for the simple reason that it is better to sell the bulk of the output at a moderate profit than to dispose of a relatively small portion of it at prices which provide a high profit, and the remainder at prices which yield a return verging on an actual loss. In order to make this quite plain, it will be better perhaps to take a concrete illustration. We will suppose that at a given period a trust's output is 9,000,000 units, and that its interests are best served by selling 8,000,000 units at 10s. each, and exporting the remainder for sale at a price equivalent to the actual cost of production, which we will assume to be 7s. 6d. per unit. Profits will therefore amount to £1,000,000 (8,000,000 × 2s. 6d.). Although the output may constantly increase through improved facilities of manufacture, a reduction of price will not be made in the American market until the managers of the trusts have reason to suppose that it will give rise to such an enhanced demand that the profit derived from the total sales at

the reduced price will amount to more than £1,000,000. Until they arrive at that conclusion, the whole output in excess of 8,000,000 units will be exported. If, for example, the demand were sufficient to absorb 11,000,000 units at 9s. 6d. each, the cost of production being, as before, 7s. 6d. per unit, the limit of the surplus which it would pay to export—assuming that there be neither profit nor loss on foreign trade—would be 2,000,000 units. It would be immaterial to the trusts whether 8,000,000 units were sold at a profit of 2s. 6d. each, or 10,000,000 at a profit of 2s. each. But as soon as the output exceeded 10,000,000 units, it would undoubtedly be good policy to reduce the price to 9s. 6d., which would accordingly be done. On the change being made, exports, which had formerly been steadily growing in quantity, would suddenly shrink to insignificant proportions. Ability to sell goods at a profit in foreign markets would, of course, widen the limits of the surpluses which it would pay to export; and this would still further defer the point at which American consumers would commence to enjoy the advantage of reduced prices. Exports from the United States have a curious habit of fluctuating violently from year to year; and, in so far as they consist of goods over which the trusts have control, the circumstance is in no slight degree due to the natural growth of surpluses compelling reductions of prices, and thus increasing the domestic consumption. Americans take pride in the growth of their exports, and look with aversion upon corresponding declines. As a matter of fact, trusts in this, as in most other respects, have created a state of topsy-turvydom: foreigners are the real gainers by increased exports of trust-controlled goods, and American consumers are actual losers thereby. How, for instance, can it be any profit to Americans for an increasing quantity of their steel rails to be sold in England at prices far below the cost of production? If there is a distinct loss on each separate ton, the more exports increase the greater will be the actual loss. That the Steel Trust manages to evade the burden is merely tantamount to saying that it is shifted to American consumers.

It may be taken as an axiom that no business man will reduce

prices except to suit his own ends. When he does reduce them, it is generally because he realizes that his business would otherwise be wrested from him by a more enterprising rival. Competition is the most powerful factor in determining prices, but trusts once firmly established have nothing whatever to fear from it. And, as it is not an element in the determination of their prices, any reductions, which for other reasons they are compelled to make, come later, and are less important than would be the case were competition a factor to be reckoned with. In the United States, consumers are forced to pay prices far above the normal economic level; and, what is more important, they have allowed the control of trade to drift into the hands of monopolists powerful enough to prevent, or at any rate to retard, by artificial means the lowering of prices, which is the normal tendency of modern business. From the producer's point of view, profits which are at once lucrative and stable represent the highest point of prosperity; and this commercial Elysium is undoubtedly secured under the trust system. But, after all, if trusts earn abnormal profits entirely as a result of their home trade, it does not need a very high order of perspicuity to see that they are merely drawing into their own hands the wealth of the general mass of the people. And it is idle to blame the men who form them, for they are only acting in accordance with strict business principles, in which sentiment plays no part. Nothing tends to reduce profits so much as competition; and if the legislature protects a group of business men from every form of it except that which they create themselves by mutual rivalry, what is more natural than that they should come to an agreement to abstain from competition with one another?

In trying to get an insight into a country's prosperity, one is apt to give undue prominence to the mere output of goods without reference to the conditions under which they are produced. Increased prices are almost invariably regarded as favourable indications. To the merchant they are the salt of his commercial existence; but the workman, on the other hand, estimates, or ought to estimate, his prosperity by his capacity to provide himself and his family with necessaries and luxuries.

If prices everywhere could be raised 50 per cent., while wages were only raised 20 per cent., the result would be a considerable gain to the merchant but a heavy loss to the workman, despite the increase in his monetary wages. If it is desired to provide the greatest good for the greatest number, chief regard should be had to the general mass of the people rather than to the heads of business. And this is especially the case in the United States, where the tendency is for control to centre itself into a very few hands. It is certainly not advantageous to a nation that a limited number of capitalists should accumulate immense fortunes by an elaborate process of acquiring the wealth of their fellow-countrymen ; and it is a strange anomaly that the machine whereby this wealth is extracted from the masses and concentrated in the hands of the favoured few is protected, and from time to time strengthened, by the votes of the very people whom it injures.

Americans have a firm belief in protection, but a growing fear of the trusts. They have yet to learn that the latter are a direct outcome of the former. Apparently, the same lesson has to be learnt in England ; for, while protection is being increasingly demanded, the shadow of the trusts lurking behind it has as yet not been noticed. If, however, we embark in protection, having prominently before us the example of the United States and the undoubted inclination of British manufacturers to copy American methods, we must be prepared to face the trust problem ourselves. That American trusts are gaining rapidly in power is undoubted, but it is equally certain that dislike of their methods is growing still faster. In time this feeling of aversion will no doubt become considerable enough to outweigh regard for the tariff ; and a strong revulsion of feeling in favour of free trade may then be expected. Here, in England, it is customary to rail at the Americans for what we call their unfairness in charging duties on our imports while we admit theirs free. But their present commercial competition is not nearly as formidable to us as it would be if it were "fair." Although hampered by unnatural conditions, the United States can manufacture many of the articles on which we chiefly depend

for our trade almost as cheaply as we ourselves can; and under a system of free trade there would be enormous reductions in the prices of commodities in the United States which would probably render the cost of producing some at least of those articles even lower than the corresponding cost in this country. In this by no means unlikely event the Americans would be as independent of our exports as they are at present; and the competition which they would oppose to us in neutral markets would not then be limited to a struggle to dispose of mere surpluses. Instead of concentrating all their energies on their home trade, and regarding other markets as nothing more than convenient outlets for surplus goods, they would manufacture whole-heartedly to cater for the world as well as for themselves. John Bright once declared that it would be an evil day for England if the United States adopted free trade. His words are even truer now than when they were uttered.

WALTER F. FORD.

THE ETHICS OF EMPLOYMENT.

THE bedrock of all social welfare is employment. We shall only understand the problems which are connected with social welfare if we set out by recognizing that each of us employs everybody else, and that everybody else employs us. The fallacy of the current ethics of employment is to regard only the employer—that is, the direct employer—of labour as being affected by them. We discuss the relation of the factory owner, the soap-maker, the colliery proprietor, with the hundred or so who from them receive their weekly wages. But the problem is not so restricted. The purchase of the smallest article is as really employment as the ownership of the Pittsburgh ironworks. If there are ethics of employment, they affect all equally. They must govern every relationship in life with the same force—that is, every relationship into which barter can enter. So if we set out by a plain recognition of what employment is, we shall make one step forwards towards the formulation of an ethics of employment, should such ethics be possible. And we may say at the outset, that if we are to disentangle the science of economics from some of the confusing issues which have made economics into the “grim science” of which Carlyle spoke, we must recognize the essential simplicity of the main question. This main question may thus be stated: What moral criteria are there of the relationship between employer and employed?

Now, the conclusions at which we shall arrive, if I may refer thus prematurely to conclusions, will not necessarily fit in with prejudged notions. We live in a day when the relationship of employer and employed is exposed to the fierce light of criticism, and frequently criticism on moral, not to say sentimental,

grounds. We live in a day when high ideals are common, and welcomely common. Unions, such as the Christian Social Union, have their very foundation in the desire for moralizing, not to say Christianizing, the relationship between master and man, in the widest connotation of those words. It may be that in setting out to examine anew the ethics of employment, we shall end a little apart from the specific doctrines which are current to-day. But even so, and with every sympathy for those doctrines so far as they are founded on moral sanctions, we must proceed, if we are to be ethicists, exactly as we are led.

Now, there are two sides to all employment. They are so obvious they need hardly be stated. There is the employer, who gives money or its equivalent; there is the employee, who gives labour or skill. Tacitly it is understood that the employer has a right to give as little money or its equivalent as he can; tacitly it is understood that the employee has a right to give as little labour as he can in return. Consequently there is a fierce battle always in progress. The employer strives to get as much skill or labour as he can; the employee strives to get as much money or its equivalent as he can. The issue is complicated by capital and interest, but, for purposes of ethical inquiry, we can leave these elements on one side. We have the discordant and conflicting forces which I have mentioned, and ethics come in to resolve them.

There are two vastly opposed points of view, and we may do wisely to examine them. There is the *Laissez faire* view, now out of fashion, but once very much favoured, and still lurking in current practical politics. This view would banish ethics altogether from the problem. The employer would have a perfect right to adopt any means whatever to employ labour as cheaply as possible. There must be no interference, either legislative or moral. Labour, like every other commodity, may be bought in the cheapest market. The man is paid such a wage for his labour as will just barely attract him. If he can get more elsewhere, let him go, or let the employer pay more to retain him. As with money, so with hours and conditions of labour. If these are insufficient to attract the workman, let the

workman seek better elsewhere. He has his labour to offer, and he will do well to get the best price he can for it.

Thus baldly I put the Manchester doctrine ; but, if it is to be applicable to one phase of economics, it must be applicable to all. Thus we shall be right in purchasing the cheapest article, no matter how it is produced, whether or no under conditions of "sweating" or by the exploiting of downtrodden humanity. Manifestly, if all sentiment and all morals are to be laid aside, we are adopting a system which will have wide-reaching results. Indeed, the *Laissez faire* doctrine is only possible if a system of State-encouraged suicide of men at forty years of age is adopted. For where there is free and open competition in labour, men of forty will be left as drones, and it is well that the world should be rid of them. This is the logical result of an economic system which does not recognize moral responsibility at all. No word is necessary at this time to refute the most pernicious doctrine which has ever cursed economics.

For, in truth, the dangers are all in the other direction, and I have referred to the Manchester school only to deal more fully with what I will call the pseudo-philanthropic doctrine. Personally, I regard this as only a little less pernicious than the *Laissez faire* doctrine. It has done much to undermine manhood, individuality of character, strenuousness of purpose. It is heralded with popular acclaim ; its prophets are photographed as public benefactors, and altogether it is quite a fashionable doctrine. It produces modern and model villages, with libraries and wash-houses, public gardens—all ripe for illustrated advertisements. The model villages are regarded as paradises, at which the peris of the world gaze hungrily. What can be the ethical or the economical objection to such a desirable arrangement ? It may seem odd in a paper, the essence of which is to plead for ethics in employment, that its main content is to be a protest against too much ethics.

Now, the pseudo-philanthropist takes a great interest in his workpeople. He provides them with good houses, which they rent from him : he maps out the village as he wishes it to appear.

Usually he will not have a public-house in it, but for social relaxation he builds libraries and gymnasia. I wish it to be clearly understood that I do not attack him. I admire his theories; I admire his sense of moral responsibility; I admire his pride in his workpeople. But I do think, and I hope to prove, that the extreme philanthropic employer is by no means a blessing to the world. "I am not a philanthropist," said one of them the other day; "I do it because it pays!" Could any condemnation more severe be conceived?

The first ethical objection to what I call the extreme philanthropist is that he is attempting to perform himself what ought to be done by the moral action of others. It is a one-sided, and consequently a vicious, system of ethics. A true system of ethics not only provides that the agent does right, but also attracts right action on the part of others. A process of moral action which thieves from others the very power of performance of moral action is necessarily wrong, for it takes from men that which, as Shakespeare says, is more precious than their purses.

That is the first objection to the philanthropic method. The cleanliness of their houses, the sweetness of the lives of his employees, the taste for refinements and culture are all his. The employees are not encouraged in these very estimable directions; they are dragged willy-nilly. If we take literature, for example, it is surely better for the manhood of the artisan that he should buy a classic at some little sacrifice, rather than have the use of the classics hurled at him. Similarly as regards intoxicating liquor. There is no temperance on the part of the resident of a model village who cannot obtain liquor. And from temperance we may proceed to the whole field of moral action. He is petticoated and pampered. He leans on his employer, and rigorous manliness is never his. His little garden is officially trimmed, just as his house is officially inspected. The doctor who attends his children is chosen by the employer. In fact the employee chooses practically nothing. He is well-housed and well-paid, but the price he pays for it is his own individuality. Indeed in one model village there is a new religion

established by the employer, with a chaplain and form and rites, as far as churchings and baptisms. Some of the people think that it is the Church of England, and so close is the imitation that only the few can detect the difference.

The second objection to the system is the fact that, whether the employer likes it or not, it tends towards tyranny. The employee is not the free agent which the ordinary employee is. If he loses his place, he loses both work and home, for he cannot remain in the model village when employed elsewhere or out of work altogether. Insensibly he has bartered more than his skill and labour; he has bartered his very life and the life of his wife and child. Philanthropy has rooted him to the spot. He is afraid of the world outside; he is afraid of the world's landlord and the world's competitive forces, for he has grown accustomed to a system which coddles him. He is an exotic among the rougher plants of artisanship, and consequently he can only live in the hot-house. He lacks courage to rebel. Deep down there are mutterings in his heart and in the hearts of his fellows, but they must not be spoken. He has neither voice nor language for his grievances, for trade unions cannot breathe in that atmosphere, and a "leader" soon finds the gates of the model village closed behind him.

The third objection is even more vital. We have seen that employment ethically is barter pure and simple. But the extreme philanthropist employer knows nothing of barter. He pays precisely what he chooses to pay, and no more. Consequently, such is the ironical circle of logic, the extreme philanthropist fails precisely where the logical believer in *Laissez faire* fails. There is a great deal of beating of drums and blowing of trumpets about the recognition of moral responsibility, and I do not doubt that the employer is often self-deceived. But when he tells us that "philanthropy pays," what is his meaning but that he is getting his labour even cheaper than the man who buys it in the cheapest market, but is not in so many words a commercial-eyed philanthropist? Indeed, there is a subtle violation of the Truck Acts, the working man's charter; for the fact of reduced rent is taken into account in fixing wages, and,

as the rent is paid to the employer, we have it that the employee is paid in kind, not in money. And I doubt if an employer has more right to pay his men in gymnasia, and libraries, and baths than he has to pay them in Indian rupees. For their labour the men have a right to be paid in coin of the realm, with which they may do as they please, guided by such moral impulse as pastors, and writers, and teachers may be able to inculcate. The "philanthropist" kindly pays them less, and helps them to spend the residue as he pleases. In this bargain they have no word. It is grimly one-sided. Consequently labour has no market value in the model village. The employer could house the men and women in tiny palaces; he could have a paradise of a model village; he could establish libraries for each dozen houses; and yet it would "pay," when compared with the cost of an establishment worked on the free and open system.

At this point we may revise our syllogism. We have seen the dangers of the *Laissez faire* system from the standpoint of ethics; we have seen that extreme interference in the lives of workers comes round to the same state of affairs. Neither, therefore, is acceptable from the standpoint of moral well-being. What is the ethics of employment then? Evidently it lies somewhere between. It is our duty to find where the line of demarcation is.

The question is not so difficult as it seems to be. If we remember that barter is one thing, and honest barter a very different thing, we shall be set on the right way towards a solution. Now honest barter cuts two ways. The employer who pays honest money has a right to expect honest work. The main stumblingblock to-day is that employers are seeking the cheapest and not the best work. The decay of craftsmanship is entirely due to this, and it looks as if England were about to pay a heavy price for the decay of craftsmanship. It may be due to some extent to the influence of trade unions; it may be due to the aftermath of the cheapness which was the shibboleth of the Manchester school. In any case we shall do wisely if we attempt to understand why it is that quality of

work has become almost a negligible factor. For the true morals of employment rest upon quality of work.

I buy an article, and find it adulterated. Obviously that is a violation of the ethics of sale. It is dishonest, and the world disapproves without a dissentient voice. But there is adulteration of labour as well as adulteration of product. The workman who "scamps a job" is immoral. He adulterates; he deceives. Similarly, the employer who adulterates wages is immoral. This may be done in several ways—either by direct reduction, or by the adoption of unhealthy or tyrannical conditions, or by the adoption of the pseudo-philanthropy to which I have referred. In the history of industry the latter is probably cause, and the former probably effect. That is to say, adulteration of wages has produced adulteration of labour, and this has produced adulteration of product. All three are deceptions, and all three are immoralities, and all three are violations of the ethics of employment. There need be no sickly sentiment in respect to the question. The employer who offers wages which do not attract the best workman to do his best is as defiant of the ethics of employment as the workman who does not produce the best article.

And this applies not only to wages, but to that vaster sphere, conditions of labour, length of hours, and healthiness of workshop and precariousness of employment, so far as the employer can influence these. A Bible bound in the slums cannot be well or even decently bound. It is therefore immorally produced, and is not an honest article of commerce from the ethical standpoint. A signalman who works more than twelve hours cannot safeguard the train, and the passenger is defrauded.

I shall probably differ from some of my friends of the Christian Social Union at this point, for I do not propound an ethics of employment which necessitates the employer accepting any moral responsibility for the lives or the welfare of those whom he employs. On the contrary, I am inclined to view with disfavour any tendency in the direction of interference with the employees' private lives. The main content of the ethics of employment is, I consider, simple honesty. The master is called

estimated by his product. If it is, the product will be the poorest possible, and only of the bare quality to escape criticism. There is also a similar device almost as ethically unsound, viz. payment by day conditioned by a certain amount of production. What wonder if a "ca' canny" comes in with such a system? Let the employer limit production downwards, sooner or later the employee will limit it upwards. Action and reaction are as counter-opposite in economic as in physical science. There is a fourth system, the American system. This is a frank system of tyranny. The employer has his supervising representatives with rigorous authority in their hands. Let the workers pause by the way, and they are dismissed, especially if they are of such an age that dismissal occasions no sacrifice to the employer, and if their places can easily be filled.

It would be a very interesting study to carry this examination into greater detail. We might test instances of *Laissez faire* employ, of co-operation, of profit-sharing, of philanthropic interference, and see how they fulfil the fundamental canon of ethical employment. We might ask, For what is the employer responsible? Is it for the preservation of the independence and individuality of the employee as a bartering agent, or is it—as seems nowadays to be popular—for the religion, or the intellectual culture of the employees, or for the adornment or sanitation of their homes? Or is he responsible for the conservation of quality as of quantity of product? These all are questions of vital import to-day. And if I regard them as somewhat simple of solution, I hope my readers will not regard me as foolishly optimistic. The danger is the banishment of morals from economics in respect to the employer's attitude to his men, in respect to the employees' attitude to their employer, and in respect to the attitude of the seller and the purchaser of the product to both. Rigorous honesty without exploiting; far-seeing honesty which recognizes quality as of primary importance, even from the standpoint of ultimate cheapness—this is the sole ethic. The intrusion of sentiment I regard as being full of dangers, though there will always be exceptional cases which will appeal to sentiment, such as cases of

prolonged illness. But a general scheme of remuneration founded upon philanthropy, which may, or may not, be commercially defensible, is at such a cost to the worker and his self-respect that I think it quite contrary to any balanced ethics of employment.

JOHN GARRETT LEIGH.

CO-OPERATIVE AGRICULTURE IN DENMARK.

THE continuous growth of Agricultural Co-operation in Denmark has attracted so much attention, and so large a part of the Danish farmer's remarkable success is due to it, that a brief description of the working of its various branches cannot be without interest to people in England, especially in view of the fact that the whole movement has grown out of an idea which had its genesis in this country.

Shortly after the German war of 1864, the rector of a small town found to his regret that the labourers in his parish did not show any disposition to attend church. And therefore, in order to get into touch with them, he made arrangements for a series of lectures in a warehouse. On one of these occasions he was told by a workman that it was all very well for the clergy to desire to secure the happiness of everybody in the next world, but that it would be better still if they could assist the poorer members of the community to obtain the immediate necessities of life in this world. In consequence of this remark, the rector was led to undertake a special study of the English co-operative societies; and, as the outcome of his investigation, the first co-operative association in Denmark was established in 1866, on the model of the Rochdale system. The success of this association soon bore fruit in the establishment of other similar societies, and the movement which sprang from this tiny seed now embraces about 900 co-operative stores, with a membership of 140,000, and a yearly turnover of nearly £1,500,000. When it is borne in mind that the whole population of Denmark is not much above two millions, these figures will be seen in their true proportions. Only eight associations, with a total membership of 4600, are situated in the towns, all the rest being in

the country districts; and therefore it is fair to say that the agricultural character of the movement is predominant.

In travelling through Denmark the eye is frequently caught by the sight of a high chimney-stack, towering above a small building. Such a feature would naturally appear to be entirely out of place in a purely agricultural country, until one learnt that beneath the shelter of the chimney a co-operative dairy hums with busy life, where the milk from many a cottager's single cow, together with the supply from the farmers' larger herds, is being turned into the finest butter of the world. Yet it is only twenty years since the first co-operative dairy was established in Denmark, by the well-known provision-merchant, Stilling Andersen of Copenhagen, who was at that time a dairyman. From this small beginning in 1882, the system has been developed with uninterrupted success, and has now secured an absolute superiority for the products of the Danish peasant-farmers in the markets of the world.

Indeed, it seems probable that other countries will be more and more compelled to imitate a system which enabled the little country of Denmark, in 1901, to export to England 162,140,000 pounds of butter, or 42.2 per cent. of the whole importation, for which she obtained £9,000,000, or 46.4 per cent. of the total value imported. The price paid in the English market for Danish butter, in 1901, was about 1 $\frac{1}{2}$ d. per lb. higher than the average price of all the other imported butter; and this difference amounted in the aggregate to £1,150,000, of which sum close on one million was gained by the high-class products of the Danish co-operative dairies. Again, at the Paris Exhibition of 1900, the butter exhibited by the Danish co-operative dairy associations (although seven days old, and in competition with fresh French butter) obtained the highest prize, while a gold medal was awarded to another Danish co-operative undertaking, the Esbjerg Butter-Packing Co.

There are now in Denmark 1057 co-operative dairy associations, with 140,000 members, which possess 850,000 out of the 1,011,000 cows in the country. The value of buildings, machinery, and so forth, may be estimated at about £1,550,000; and last year

the export of these 1057 dairies amounted to 137 million pounds, and was valued at £7,400,000.

While the co-operative dairies may thus be said to have come of age, the co-operative slaughterhouses have not yet passed out of their teens. Until well on into the eighties the farmers were compelled to take their pigs to the railway-station, and to pay about 6½d. each to have them weighed before they were sent off to Hamburg. This unnecessary toll was not at all to the liking of the farmers, but they applied in vain to the railway authorities to have it abolished. In consequence of this vexatious burden, the idea of starting a slaughterhouse on co-operative principles was forced on the chairman of an agricultural association in Jutland, Mr. P. Boysen, a member of the Landsting, (the Danish Senate or Upper House). He convinced the farmers in his neighbourhood that the interest on, and the gradual redemption of, the capital required for the construction of a slaughterhouse would be no more than what was being paid to the railway company for the mere service of weighing the animals. Thus, and not for the first or last time, the stupidity of the authorities was the unintentional cause of a movement which has been a manifold blessing to the country at large.

This took place in 1887, and the farmers' first slaughterhouse was established shortly afterwards. It was founded on a thoroughly democratic basis, and no member was allowed to hold shares to a higher value than £110. The following table shows the rapid and increasing progress of work in this department:—

Year.	Slaughterhouses.	Pigs.	Value.
1888	.. .. 1	23,407	£57,000
1890	.. .. 10	147,455	£440,000
1895	.. .. 17	528,811	£1,275,000
1901	.. .. 26	651,000	£2,100,000

In addition, some 10,000 cattle, valued at about £112,000, were also killed in the slaughterhouses. The export of bacon from Denmark to England last year amounted to 107,682,000 lbs., for which £3,250,000 was paid. This sum represents about 2d. per pound more than the average price obtained for the supply of bacon from all other countries ; and the difference in price

amounts in the aggregate to about £900,000, of which nearly two-thirds fell to the co-operative slaughterhouses. At the Paris Exhibition of 1900, a gold medal was awarded to them for a collective exhibition of their products.

Still younger, a mere baby indeed, but a very vigorous one, is the Danish co-operative egg business. In the early eighties, the value of the whole export did not exceed £100,000, and the eggs did not enjoy a very high reputation; they were often kept for weeks before sale, and frequently came on the market in a dirty condition. In 1894, however, thanks to the efforts of Mr. Faber, Denmark's energetic agricultural agent in London, a serious attempt was made to improve the quality and the repute of Danish eggs. The result of this was the starting, in 1895, of the Danish Co-operative Egg Export Co. The rules of this association compel the 30,000 shareholders to collect the eggs daily, and to see that nests are kept clean and orderly. To enforce obedience to the rules a system of stamping the eggs is employed, so that the farmer who sends in a bad egg is immediately found out by his mark, and is heavily fined. The practical effect of this system is shown by the fact that it has already made the term Danish egg equivalent to fresh egg.

Denmark's exports of eggs to England in 1901 reached a total of 362,300,000, for which she received the sum of £1,105,000; and of that amount the various co-operative associations received £333,000. Of the total import of eggs into England, Denmark's contribution was 17.7 per cent., for which she received 21.1 per cent. of the price paid, or about 1 $\frac{1}{4}$ d. per dozen more than the average price obtained by other countries.

Taking the three items of butter, bacon, and eggs together, it may be said that, if Denmark had obtained no better price in the English market than the average price paid for these products from other countries, she would have received about £1,150,000 less for her butter, about £900,000 less for her bacon, and about £220,000 less for her eggs. This considerable difference, of well over £2,000,000, is principally owing to the practical effectiveness of co-operative principles.

In view of the striking success of these enterprises in

co-operative production, it is not surprising that the Danish peasant-farmers have not been content to stop short of full co-operation in consumption also. Here, again, it was left to the farmers of Jutland to take the initial step in 1898 by starting—in defence against a trust managed by the forage merchants—a co-operative association for the purchase of feeding-stuffs. This association, at the end of its first year of operation, had transacted a turnover of 12 million tons of forage, of the value of about £62,000; and in June, 1901, had 11,000 members, and an annual turnover of 36 million tons, valued at some £200,000. Last year a similar association was founded to supply Zealand and the other islands, and during its first year had a turnover of about £35,000. It almost goes without saying that co-operative associations for the purchase of artificial manures have also been formed all over the country. And a few months ago a further advance was made by the promotion of a co-operative association for the purchase of the various articles required in the dairying industry, which is meeting with much encouragement, and promises to become another successful experiment.

It only remains to add that the various retail co-operative stores have joined in forming a wholesale association, which, in 1901, sold goods to 675 associations to the amount of £725,000. The various co-operative associations have a total membership of more than 400,000, whose production of butter, bacon, and eggs amounts to the sum of £10,000,000 yearly, while the total turnover of their various associations for purchase is about £2,000,000. When it is remembered that these two sums represent nearly a third part of the total imports and exports of Denmark, it will readily be seen that the improvement in her productive capacity, owing to the co-operative movement, has been of vital importance to the national welfare.

If we regard the movement in its entirety, it is obvious that—all-important as it is from the purely commercial point of view—it is a natural effect of the economical and political emancipation of the working classes. Only in a country where the peasant-farmer is secured in the enjoyment of all the fruits

of his labour can his intelligence and independence thrive; only under such conditions can he find leisure enough to develope his mind, so as to be able to adopt the right measures at the right time, and to carry them out in the right manner. Moreover, from the social point of view, the movement has had a most wholesome tendency. On the one hand, statistics show that the little plot of the cottager is proportionally 50 per cent. more valuable than the farmer's land. This is explained by the fact that the co-operative system brings within the reach of the smallest cottager all the advantages and improvements in production which formerly were only available for the big farmer, while the latter cannot cultivate his land with anything approaching the same care and intensity with which the cottager tills his. On the other hand, the feeling of antagonism between classes is being rooted out at the general meetings of the co-operative association, where the cottager meets the farmer on common ground, with an equal right to vote, and a proportional right to participate in the joint profits. This it is which makes the sight of the 400,000 Danish peasants, farmers, and cottagers, standing shoulder to shoulder for the common weal, so truly imposing.

At this point, I had intended to suggest the application of the method set forth in the preceding sketch to English agriculture; but my attention has since been called to two interesting articles in the April number of the *Economic Review*, on "The Small Holdings of Far Forest" and "Agricultural Co-operation in the United Kingdom." Both of these articles deal with the subject of agricultural co-operation, and each expresses a part of what was in my mind. I may, therefore, best accomplish my purpose by simply adding a few remarks upon these two papers.

With regard to the first-mentioned article, may I commence by congratulating the Rev. G. F. Eyre for his openly expressed opinion that a true parson should also be concerned for the temporal well-being of his parishioners? Having passed a good many years among the farmers and peasants of the Continent and America, I can testify that the esteem in which they

hold their priests depends, to a very great extent, upon the capacity of the latter to give advice in secular matters. And since this sentiment is hardly likely to be absent in England, there is a great opportunity awaiting the parson, of any country district, who will take up the work of improving the methods of agriculture, and thereby help to repeople the deserted homesteads.

But the work is sure to be extremely difficult, for the land laws of England put almost insurmountable hindrances in the way of any lasting improvement. Mr. Eyre seems to recognize this fact by the admission that the cottages and buildings in Far Forest are not good, and in some cases even abominably bad ; and he explains that—

“ tenants often suffer in silence, for while they can hardly find another holding near at hand, some one else will be ready to take the one they leave.”

Of course, under such circumstances, there is no inducement for the tenants to improve their buildings. Only in a country where the laws secure to the tenant the full reward of his labour will he find a sufficient incentive to make permanent improvements. Such security may be provided by proprietorship, or by laws guaranteeing to the tenant the full value of his improvements, or, better still, by the taxation of land values ; but so long as the landlord is permitted to tax the enterprise of his tenants, no considerable or permanent improvement can reasonably be expected. And even co-operation will fail to accomplish its whole purpose, because the landlord, in the long run, will endeavour to appropriate the advantage accruing from the application of co-operative methods. This, I take it, is the reason why agricultural co-operation has not met with the same success in England as elsewhere. But even in England a great deal of good may perhaps be effected in districts like Far Forest, where the conditions of land tenure are not too unpropitious.

Again, the exorbitant charges which the railway companies are permitted to make for forwarding agricultural produce is

another hindrance to the development of agricultural co-operation; but, after all, in many cases the cost of freight should not exceed the amount charged for sending the same articles from abroad.

For my part, I have no doubt that, if small holdings were widely extended, and the whole reward of his exertions guaranteed to the tenant, agricultural co-operation could be established with advantage in England just as well as abroad. Under existing conditions, there are not many small farmers; and the large farmers must have recourse to extensive methods of cultivation, owing to the scarcity of agricultural labourers. Over against such superficial and wasteful tilling, the Continent places the intensive cultivation of the small-holders, aided by co-operation. By this means they obtain more than all the advantages in production, selling, and buying which the English farmer gets from his large holding, while, at the same time, the care with which they cultivate their land is naturally far greater than what their English competitor can afford to bestow on his. Consequently, acre for acre, they secure a much larger return from the soil, and are enabled to effect many other little economies which serve to strengthen their position.

Now, there is hardly any country in the world with a more fertile soil than that of England, and yet, in 1900, England imported—to mention only a few articles—apples to the value of £1,224,657, potatoes to the value of £2,234,569, onions to the value of £852,496, rabbits to the value of £730,432, and poultry to the value of £1,010,369. All these are preferably the small-holders' products, and ought to be supplied by English farmers with the aid of co-operation. And then, just as in the case of Denmark, when once a uniform good quality was secured, correspondingly good prices would easily and speedily be obtained.

Many other articles, too, offer themselves to the industry of small-holders. For instance, along every canal and every ditch of Holland the eye meets the sight of willow hedges. These are not there solely as ornaments in the landscape; for in 1900 there were imported into England alone (the chief market is Russia)

willow rods for basket-making to the value of £52,587. Why should not English farmers make a business of growing willows? Or, again, why should they not employ English bees to produce a larger supply of honey and wax, instead of allowing the country to pay, as in 1900, £22,255 and £202,257 respectively to foreigners for these necessary articles? There certainly is no natural cause that prevents such undertakings. God has given to England a climate and a soil inferior to those of no other country; but the laws of man permit the master to slam the door in the face of the labourers, and almost single-handed he attempts by means of machinery to do their work. But a machine can never do all the work that is required. A steam plough may plough the fields more rapidly, and perhaps even better than the old-fashioned method; but it never surpasses the work of the spade, nor can it ever dispense with the pains-taking human labour which collects the stones and piles them round the land in hedges. In the same way, dairying machinery certainly does produce better butter than a hand churn; but no mechanical invention will ever be able to tend the cows, or prune the apple trees, or shift at the right moment the tablets in the beehive. For the proper and thorough performance of such work human intellect and human love are required, and these qualities are particularly active in the labour of the small-holder, who knows intimately and loves instinctively every spot of his field, every cow in his shed, and every tree in his garden.

It is, of course, impossible for a foreigner to indicate how such a state of affairs might be brought about in England. But it is at least not unreasonable to prophesy that, with security of tenure firmly assured, industry and thrift would soon restore the old class of yeomen, who would till their land like a garden, and utilize to the full all the resources of the small farmer. Then, with increased economical independence, the desire for better knowledge would arise, and technical schools, like the Danish popular high schools, might spring up all over the country. It has been said of the Danish high schools that they are institutions into the one end of which you put enlightenment, and out of the other end comes—butter. It may be so,

but butter is at all events not the only thing that comes out of them. In fact, no less than thirty-eight out of the fifty-eight peasant members—that is to say, a third of all the members—of the Danish Folkething, or Lower House, have passed through these schools; and the whole co-operative movement in Denmark, if not actually engendered by, has at least been greatly influenced and supported by men who have received their education in these schools, while over the whole country the truly democratic and independent spirit of the Danish peasant farmer flows from the same source.

But these schools would not be the last step. As is now being done in Denmark, schools for cottagers might be started where instruction in the utilization of the by-products of agriculture would go hand in hand with general information about making the best use of small plots of land; and what with clubs, university extension lectures, and so forth, life in the village could be made so enjoyable that a real relief to the congested city slums might be effected, and the country might again deserve the name, so dear in the ears of all admirers of her past, of *Merrie England*.

The picture sketched above is no dream. In Denmark it has been realized. Of the 580,000 persons who make up the adult population of Denmark, about 140,000 are peasant proprietors, with small holdings of less than ten acres each on the average; and the effects of this diffusion of land have been so beneficial that the Danish Minister of Agriculture recently declared the four last years to have been the most prosperous which Danish agriculture has ever experienced. If this growing prosperity is compared with the depression of the English farmer, the conclusion seems obvious that the English land laws are at fault; for the English peasant is certainly not in any way inferior to his Danish cousin, and is intrinsically far superior to his French and German neighbours.

ERIK GIVSKOV.

THE NEXT STEPS IN SOCIAL POLICY.

PEACE is made: we all thank God for that. Part of the South African problem—the military side of it—is for the present, let us hope for ever, solved. The social and political past remains. And of course the bill has yet to be paid. Still, the war is over: the next election is likely to be of another colour. All will no longer turn on the usual telegram from Mr. Chamberlain. Driven by the conditions of peace to rehouse the Boers, we shall no longer be denounced as unpatriotic, insular, or selfish, if we urge seriously on our fellow-citizens such questions as the rehousing of our poor at home.

The immediate revivifying of general interest in other than military questions is to be confidently looked for. It is impossible that it should be otherwise. In truth the questions on which the Christian Social Union insisted from the first moment of its birth are still with us in all their force, and in nearly, if not quite all, their early difficulty. If there has been any blunting of edges, it is we who have become blunted to them; their own edge is as keen as ever. It is we who have been blunted, not less by the excitements than by the sorrows of the war. The nerve-power of our race has been unequal to endure at one time more than the sanguine prelude and the bitter doubts of our recent struggle.

When, therefore, like folk over whom has swept some foreign invasion, we begin to see the back of what has troubled us, and reckon up our friends and resources, we find our first difficulty in the apathy that, in time of war, whether successful or unsuccessful, always paralyzes all average sympathy with a less exciting and glorious social policy. What are labour statistics and tales of tenement houses by the side of bulletins from the

front? What are the diseases of our body politic by the side of our returns in Pall Mall? Still, every tide turns at last; and no one not absolutely disembowelled of mercy by the pursuit of wealth or pleasure can long remain unaffected by the claims of justice. Even now there are signs that social politics—often so distinct in motive from a deep and unaffected sympathy with men and women—are reawakening. This itself is a proof that those who manage these things as politics are themselves aware of a turn in the tide.

We may feel quite sure, then, that the next few years will be years of interest in social things: not perhaps of the deeper movement of principle and theory that stirred us all about twelve years ago. But there is bound to come the day of the practical politician, the experimentalist, the advocate of efficiency, the ready pupil of a school of economics. Policy will boast of being practical: and both sides in our party politics will be affected.

The Liberal party is bound to appeal to the country on a social policy; and that for two simple reasons. It has a rival within its own camp that can only be kept weak by the frank adoption of a broad programme by the official leaders. How far in solving our more difficult problems these latter are really prepared to go, they probably do not yet themselves know. Nor indeed can we blame them overmuch. It is all dependent on the driving power behind them; and we are the folk—we, the great mass of progressive people—who make the power that drives. And there is another reason, too. An average leader is the creature of the current on which he is steering. If the current is strong, he is bound to go with it. It is a law of our politics. He cannot even venture into slower and "safer" water, because of the other ship. The other ship is in the current nearer to the bank: and the other ship is perfectly capable of taking the water and, after all, declaring the centre of the stream to be the safest place. Were not free elementary education and household suffrage the sudden policy of the men in the other ship? So, too, rehousing of a drastic character may be to-morrow the orthodox conservative policy.

We may, therefore, be quite free from anxiety as to the course of politics, if once we have succeeded in reawakening the nation to social needs. No doubt the course of politics is not alone capable of solving such needs. Law on the statute-book is, under our English system, an inert and latent power. There are no procurators fiscal in our towns and villages. There is nothing more certain than that all effective social reform, more largely than on anything else, depends on the willingness of the average citizen to give himself trouble, and get laws enforced. But the course of politics is a good measure of civic readiness, for English politics, at least official politics, will never outrun public sympathies.

What, then, are the most urgent and immediate points that we should be wise to press on public thought to-day? Can we make a better selection than Housing with its corollaries, Land and Finance, and Temperance?

But why, it may be asked, omit Education? I omit it, because before the next election an Education Bill will have been added to the statute-book. That bill will not be a solution of our difficulties, but it begins the solution of many of them. It establishes local authorities, whose powers can be strengthened, and whose relations with the central authority can be, by degrees, better defined. It is educationally imperfect; and so would be any bill, likely to pass any still more imperfect English House of Commons. The one difficulty it does not solve is the religious difficulty. But this is not all the fault of its promoters. I, for one, regretfully think that the Nonconformist leaders, while fully conscious of their own grievances, shut their eyes absolutely to the grievances of Churchmen. And, as long as they do this, compromise is not possible. Compromise implies a mutual spirit of tolerance; and I see few signs that this exists. The "blood of Cromwell" is not a good blend in the matter of toleration. Undenominational education is not likely to be a solution universally applicable. It may mean something; it may also mean practically nothing at all. To tell us that we ought to be satisfied with it, and that, if we are not satisfied, we are sacerdotalists, may, or may

not, be effective on a platform; but it will not remove the resolution to teach our children fully what we believe. Quebec and Ontario have better methods; and freedom is not dead in either. If the question cannot be really settled now, it will remain to be fought out. Have we any statesman, capable of really seeing both sides, who will settle the religious difficulty fairly? Perhaps we may discover him where we least look to find him, in a detached and independent mind.

As for the other imperfections of the bill, they can be cured by a farsighted head of an Education Department, seconded by a resolute Minister of Education. There is not enough money in the bill. Local authorities will not have enough, for instance, to carry out a pension scheme like that now adopted in Wales. Without pensions and without better stipends the type of men available for secondary teachers must invariably decline. The quality of the candidates is not even now what it was. Fewer men, and fewer of the best men, are becoming secondary teachers. There was a rush once: it was thought that there was a great future coming. It has not yet come. I am even inclined to think that the average income is sinking. A considerable number of men are being "sweated." The bill does not cure this; but administrative pressure may find a remedy, if funds are available.

Another point to be noticed is that clever but poor boys should have still larger opportunities. Scholarships should be more numerous and more generous. Thus only can discontent be prevented, and class exhaustion remedied. The bill does not give enough money for this either.

But there is a further change needed, a change that no legislation can effect. It is a change in the views of our commercial classes. When once English merchants have been led to believe that a degree in commerce, such as that now planned at Birmingham University by Professor Ashley, actually "pays" in the long run, and that it is really suicidal to take boys away from school and teaching as young as sixteen or seventeen years of age, we shall see more done for secondary education than is now contemplated. We shall see the present conditions

of competition with America and Germany altered in our favour.

To satisfy these needs we must go to our Chancellor; and our Chancellor, to satisfy us, must recast taxation and the whole incidence of rates. The politicians who yearn for Protection see this. They see that financial reconstruction must come. A new omelette has to be made; and, not unnaturally, they are desirous to break somebody else's eggs. If the egg on the poor consumer's table is available, there would be no objection on their part to capitalists furnishing a peppering of mint. In the hour of financial readjustment, under the cover of many fallacious phrases, Protection will seek its opportunity.

The call upon the Chancellor will be still more clamorous over housing. Housing is largely a question of finance. Eliminate by just law the less just claims of the slum landlord, it still remains largely a question of finance. Even if you make it the duty of municipalities, lengthen the age of loans, and lessen the rate of interest, still it all comes back upon the Chancellor. Municipalities cannot increase rates, unless somewhere you relieve pressure. Lessened interest paid to the nation means lessened national income; and the deficit must be met from somewhere.

Housing is surely the most immediate question before us, not in the sense that it can be quickly solved, but in the sense that it must be immediately tackled. Its neglect is certain to be so destructive to our civilization in town and country that no social reformer can leave the question unpressed. He must be urgent and constant about it. Quack remedies, meant to whitewash the slum owner and to leave him undisturbed, must be exposed. Above all, the speculative builder must be judiciously handcuffed. When recently there was a possibility of a tramline to Bushey, Herts, I was shown plans of speculative builders—advertised plans—for cutting up the Weald of Harrow, that would inevitably reproduce in my own lifetime the condition of slums. To talk of motor-cars and motor-roads and leave the speculative builder unrestricted is just to pay at a high rate for providing the mire into which the poor slum-dweller of to-morrow will return to wallow.

And where is to be found the secret of reformed taxation? That is the point. We want a second Gladstone to reconstruct our finance. I believe firmly that the possession by either political party of a known financial genius at this moment would go far to planting that party in power.

But financial reconstruction is not the only corollary of a policy of housing. The land will have to be dealt with, if anything effective is to be done. It is impossible to divorce the question of finance from the question of the land, and the housing question is intimately related to both. To press housing is to compel men to cheapen the registration and transfer of land, to extend the powers of municipalities for the purchase of land outside their own borders, and in some way or other to touch the unearned increment of lands in populous neighbourhoods.

Lastly, there remains the question of Temperance. Mr. Ritchie has done a little. It is, I know, a very little: but more than once it was plain in the course of debates and divisions on his bill that even the present House of Commons was not quite satisfied with a *fair niente* policy. Had the Government been braver, they could probably have done more without any material weakening of their majority. But it seems clear that the legislative fight will gather round the Minority Report of the Licensing Commission. Politicians who are anxious, or who pose as anxious, to do something for temperance, may as well be killed for a sheep as a lamb. They will never reconcile the inner advisers of the liquor ring. But they may win a good many tied house tenants, if they take good care that compensation really goes to the losers, and not merely to the powerful: and they will prevent mischief, if they adopt the compensation proposals of the Minority Report. A wise and far-reaching temperance reform will crown the policy of housing; and the narrower field of army reform will merge in the wider issues of general efficiency.

But beyond the duty of pressing these views on their leaders, be their side what it may, Christian Social Union groups in the country could do a great deal to prove the

necessity of it all by extending, wherever possible, such an inquiry as Mr. Rowntree has undertaken at York. Ordinary good people do not know the houses about them. Reveal to them the social conditions at their doors, and not merely the conditions of distant slums, and I think they could be moved. At all events, something could thus be done to enforce existing laws. And this is quite as needful as to pass new laws. For there is a danger of becoming hysterical as regards new legislation, and apathetic as to the enforcement of it. And, of course, an unenforced law is worse than none. For law, realized as unenforced, really deteriorates the public conscience and energy.

People are inclined to consider a policy of efficiency wanting in heart. It need not necessarily be so, surely. It all depends on what the efficiency is directed to achieve. Efficiency in Education, in Temperance reform, in Financial Reconstruction, in the adaptation of our Land Laws to new conditions, cannot be a heartless policy. Administration also will probably take a far larger part in democratic welfare than we have hitherto planned for it: and though indeed the four subjects I have named seem the most pressing, the question of sympathetic and effective administration is quite as important.

This, then, is what we have to work for. This is quite sufficient for the next decade. Do not let us be drawn from it into a so-called religious struggle, if we can possibly avoid it.

T. C. FRY.

THE AMERICAN INVASION OF CANADA: AND HOW TO MEET IT.

SCARCELY has England recovered from the shock occasioned by the American attack upon her mercantile fleet, when she learns that the same energetic people have actually commenced an invasion of her great Canadian Dominion. Jonathan is, indeed, ubiquitous, and all his doings are on a stupendous scale. The dismay produced by his bold and diversified movements helps one to realize the panic of our Saxon forefathers when the hordes of Northern warriors fell upon the kingdom of Wessex.

What, then, is the significance of this American descent upon Canada? Many of the reports in the newspapers have been greatly exaggerated, and some of them have gone quite beyond the range of possibility. But they have undoubtedly had a tremendous effect. The man in the street is bewildered. He has probably never heard of the fact, and could scarcely credit it if he had, that Canada is practically as large as Europe. His firm conviction is that the whole country, whatever its size, has been suddenly overrun by a swarm of Americans. And even in quarters where one would have expected to find better information, there is a despairing impression that Americans have acquired all the available wheat-lands in the Dominion, and thus deprived the Britisher of his rightful share in the spoil.

Now, what are the facts? During the last few years the Americans have been making frequent purchases of land in the North-West Provinces. They long ago foresaw the future possibilities of the country, and have ever since been carefully watching the progress of its settlement. The time has now arrived, they think, for more extensive operations, and the first big movement has taken place in the present year. A few

weeks ago a syndicate purchased 1,100,000 acres in the Yorkton district of Eastern Assiniboia, but in this case the financial interests are pretty evenly divided between Americans and Canadians. The Minister of the Interior calculates that the whole of the American-owned land in Canada, including this year's purchases, does not exceed 10,000,000 acres. And what does that amount to? Manitoba has still 35,000,000 acres left; Assiniboia, 50,000,000; Saskatchewan, 60,000,000; and Alberta, 60,000,000. Here, then, we have a total of 205,000,000 acres, without reckoning the vast extent of territory in Columbia and Athabasca. And hence we see that the 10,000,000 acres held by Americans are, after all, but as a drop in the bucket.

Nevertheless, insignificant as the American purchases appear when compared with the almost inconceivable extent of the Great North-West, they are for various reasons highly important. In the first place, strange as it may seem, they reveal a sense of weakness in our American cousins. The control of the world's wheat supply, they can see, is gradually but surely passing from the United States to Canada, and their only hope of retaining that control lies in their acquisition of the Canadian wheat-fields. In the second place, if the movement is allowed to continue indefinitely without any counteracting influence, it will have a decided tendency to weaken the ties that bind the colony to the mother country. Since the 1st of last January nearly 30,000 emigrants have moved from the United States into Canada. So far the weekly numbers show no signs of diminution, and although up to the present moment the great majority of the men who have crossed the border are really Canadians returning to their own country, the tide of emigration will soon change in character, and eventually consist entirely of true Americans.

Is it desirable, then, that the Canadian North-West should be peopled entirely or chiefly by Americans? Most English people will, I think, say no. Canada offers a magnificent field for the reception of our own surplus population; the United States will not be overcrowded for a long time to come; and a large influx of British emigrants would at least tend to

strengthen, rather than to weaken, our hold upon the Dominion.

What, then, can be done to induce English emigrants to settle in the North-West? Doubtless the sensational reports of American emigration will have a salutary effect in this direction. They show that Americans think that they have discovered "a good thing," and the Britisher, who is strongly impressed with Jonathan's judgment in such matters, may be trusted to follow his example—at least to some extent. But something more than this is necessary if we are to take full advantage of our opportunity. Concerted action is indispensable, and as it can be adopted with the certain prospect of commercial success, there is no necessity to appeal to any sentiments of philanthropy, or loyalty, or imperialism. All that is needed is a company or an individual with a capital of about £40,000. Of course, a sum like that would not enable us to deal in millions of acres at the outset. But it would enable us to start a movement which, I am firmly convinced, would rapidly attain to immense proportions and lead to the accomplishment of the object in view.

Let us assume that a company has been formed with the capital mentioned, and with the twofold view of securing a good investment and encouraging British emigration to Canada. The next step would be to select a locality for its operations. Probably the most suitable district for the purpose would be Western Manitoba, or Eastern Assiniboia and Saskatchewan, where there are millions of acres of the finest wheat-land in the world. The Government survey parcels out the land in blocks called townships, each of which is practically 6 miles square, and therefore contains 36 square miles, or 23,040 acres. The prices vary from 10s. to about 30s. an acre, according to its distance from the railway. A whole township of superior land, situated near a station, would cost about £20,000. This would leave us £20,000 with which to transform this prairie region into a typical English landscape. In order to follow the further development of such a scheme, the reader will find it necessary to refer to the accompanying diagram.

TOWNSHIP OF WHEATFIELD.

31	32	33		34	35	36
30	29	HO 28		ME 27	26	25
19	20	21		22 Bridge.	23	24
18	17	FA 16	Station O	RM 15	14	13
7	8	9		10	11	12
6	5	4		3	2	1

Railway

Each section is surrounded on its four sides by four miles of Government roads, 66 feet wide, but constructed on land not included in the measurement of the section. Each township, therefore, has the use of about 90 miles of Government roads.

In the first place, it is proposed to reserve sections 15, 16, 21, 22, 27 and 28, comprising 6 square miles, or 3840 acres, to be cultivated by the company on its own account. For this purpose it will be necessary to erect a house and the requisite farm buildings, which should be placed near the centre of the township and the railway station. Accommodation would be required for the—

Farm bailiff and family
 Twenty agricultural labourers
 Six women-servants
 Two dairy-maids
 Stabling for 100 horses
 Shedding for 10 cows

} at a cost of £2000

Implements and stock would be needed as follows :—

											£
Drills	..	..	..	..	..	..	..	..	..	150	
Ploughs	..	..	..	..	..	..	..	..	..	30	
Harrows	..	..	..	..	..	..	..	..	..	25	
Reaping-machines	..	..	..	..	..	..	..	..	..	300	
Thrashing-machines	..	..	..	..	..	..	..	..	..	800	
Waggons	..	..	..	..	..	..	..	..	..	200	
Horses	..	..	..	..	..	..	..	..	..	1000	
Cows	..	..	..	..	..	..	..	..	..	100	
Pigs	..	..	..	..	..	..	..	..	..	50	
Furniture	..	..	..	..	..	..	..	..	..	200	
Harness	..	..	..	..	..	..	..	..	..	100	
Sundries	..	..	..	..	..	..	..	..	..	45	
									Total cost	..	3000

The total outlay on the Home Farm would be as follows :—

										£
Cost of 3840 acres of land	..	..	..	..	..	..	say	..	3500	
, buildings	..	..	..	..	..	..	..	..	2000	
, implements and stock	..	..	..	..	..	..	..	..	3000	
, seed	..	..	..	..	..	..	..	..	250	
, sundries	..	..	..	..	..	..	..	..	250	
								Total	..	9000

The land might be cropped somewhat after the following system :—

1500 acres wheat.
 1500 acres fallow.
 840 acres oats, pasture and hay, for stock.

 3840

We should thus have 1500 acres of wheat every year, and the various crops would, of course, be distributed as seemed most desirable year by year.

We may now attempt to ascertain the probable profits from the Home Farm. In order to do this, it is necessary to know (1) the average cost of producing an acre of wheat; (2) the average yield per acre; and (3) the average price realized. With regard to the first point, an elaborate experiment has been

made on the Government Experimental Farm at Brandon, Manitoba. The following are the results obtained, as given by Mr. Bedford, the superintendent of the farm :—

AVERAGE COST OF PRODUCING AN ACRE OF WHEAT ON THE EXPERIMENTAL FARM AT BRANDON, MANITOBA.

				s	s	d.
Ploughing once	..	..	..	0	5	0
Harrowing twice	..	..	..	0	0	10
Cultivating twice	..	..	..	0	1	8
Seed (1½ bushels)	..	..	..	0	3	0
Drilling	..	..	..	0	0	11
Cutting and binding	..	..	..	0	1	4
Cord ..	..	..	..	0	0	10
Stocking	..	..	..	0	0	8
Stacking	..	..	..	0	2	6
Threshing	..	..	..	0	6	0
Teaming to market (4 miles)	..	..	..	0	1	3
Two years' rent or interest	..	..	..	0	7	5
Wear and tear of implements	..	..	..	0	0	10
				<hr/>	<hr/>	<hr/>
				1	12	3

Deducting the items of 3s. for seed and 7s. 5d. for rent, which are otherwise provided for in our scheme, we get £1 1s. 10d. as the net cost of producing an acre of wheat.

Now, can this estimate be accepted as a working basis? I have no hesitation in saying that it can. The following comments upon the figures are by a farmer in the Moose Jaw district, and appeared in the *Canadian Gazette* of January 26, 1899 :—

“ Mr. Bedford, of Brandon, gives figures which are quite correct, providing all the labour and teams are hired for each particular operation ; but a farmer can do it much below this cost. I find, in producing 300 acres of grain, my actual outlay in labour, threshing, twine, repairs, taxes, etc., is always under 1000 dollars (say, £200). This, of course, does not include interest on invested capital, nor depreciation of horses and implements—a point where management will effect a great difference.”

It will therefore be seen that this man produces his wheat at a cost of less than 14s. an acre. Hence we shall surely be on the safe side if we put the figure at 22s.

The remaining points to be considered are the yield per acre and the price obtained. The Moose Jaw farmer previously

referred to gives the following figures, showing the actual results on his farm for the eleven years 1888-98:—

Year.		Bushels per acre.		Cents per bush.		Dollars per acre.
1888	..	34	..	90	..	30.60
1889	..	27	..	55	..	14.85
1890	..	22	..	70	..	15.40
1891	..	41	..	60	..	24.60
1892	..	23	..	50	..	11.50
1893	..	16	..	45	..	7.20
1894	..	7	..	40	..	2.80
1895	..	19	..	40	..	9.60
1896	..	31	..	60	..	18.60
1897	..	29	..	80	..	23.20
1898	..	26	..	57½	..	14.95
Average		25		59		15.75

It will be observed that the yield has averaged 25 bushels per acre, and the price about 2s. 5d. per bushel.

The following figures are furnished by Mr. A. J. Cotton, Swan River, Manitoba:—

Year.	Bushels per acre.	Year.	Bushels per acre.
1889	.. 23	1896	.. 14
1890	.. 31	1897	.. 26
1891	.. 28	1898	.. 31
1892	.. 29	1899	.. 29
1893	.. 22	1900	.. 8½
1894	.. 30	1901	.. 23½
1895	.. 40		

The results on Mr. Cotton's farm have fluctuated from year to year, but the average for the whole period works out to 24 bushels per acre. This, I think, is sufficient evidence to justify us in fixing upon 22 bushels per acre as the minimum average yield.

As regards the price, it will be remembered that the figures given above show an average of 2s. 5d. per bushel for the eleven years 1888-98 inclusive. Mr. John R. Mears, Arcola, Manitoba, writing on April 19, 1902, says, "In the fall of 1901, I harvested 5680 bushels of wheat, of which 3000 graded No. 1 hard at 57½ cents, and the rest No. 1 northern at 54 cents" (say 2s. 3½d.). And that was about the average price in Manitoba last year, with the highest yield on record.

In order to make sure of not over-estimating, let us take the average price per bushel to be 50 cents, or 2s. 1d.

Our data may now be summarized as follows:—

Cost of producing an acre of wheat	22s.
Average yield per acre	22 bushels
Average price per bushel	2s. 1d.
Gross return per acre (22 x 2s. 1d.)	45s. 10d.

Deducting the 22s. from the 45s. 10d., we get £1 3s. 10d. as the net profit per acre. Multiplying the latter amount by 1500 (the number of acres of wheat on the Home Farm), we get a total profit of £1787 10s. And that is equal to within a small fraction of 20 per cent. on the outlay of £9000.

As the Home Farm occupies six sections, there are thirty sections left for homesteads, i.e. sufficient for 120 farms of 160 acres each. A frame house and the necessary farm buildings might be erected on each quarter-section at a cost of £60, which, added to the price of the land (£140), would bring the cost of a 160-acre farm up to £200. The four houses on each whole section should be placed in a group near the centre of the section, so as to preclude the possibility of any feeling of loneliness on the part of the occupants. Each group would thus have a cluster of four habitations at a distance of one mile in four different directions, and there would consequently be no lack of neighbours.

When the farms are ready for tenants, they might be either sold or let. If let, the rent might be fixed either at about £20, without any conditions as to crops, or at one-third the grain produced, with the stipulation that not less than 50 acres of grain must be grown every year. If sold for cash, the price should be, say, £225. Or the farms might be sold on the instalment principle, for £30 cash down, and nine annual instalments of £25.

Now what will be the returns from this part of the enterprise? I think that, after making a liberal allowance for expenses, we may safely calculate upon 7½ per cent. This is a much smaller profit than that yielded by the Home Farm, but it is surely handsome when compared with the meagre returns from agricultural land in the British Isles.

Upon the basis of the foregoing figures, after the most ample allowance for expenses, the least return to be expected for the

total outlay is 10 per cent. But this, it must be remembered, can be increased at will to 15 or even 20 per cent. if the company is disposed to cultivate a sufficiently large proportion of the land on its own account. That, of course, will depend upon the main object in view. If it be desired to settle as many people as possible on the land, the profits will be comparatively low, though never falling below $7\frac{1}{2}$ per cent. If, on the other hand, a big dividend is the chief desideratum, it can be secured *ad libitum* by increasing the size of the home farm and diminishing the number of homesteads.

Moreover, it will be observed that these operations have been confined to a single township, and have only used some £36,000 of capital, which would, of course, be called up as required. The probability is that two townships could be settled each year with that amount, and the annual profits from the homestead section would thus be doubled. Further, I have not calculated upon any profit from the stock. But it is the universal testimony of settlers in the North-West that mixed farming is more-profitable than corn-growing by itself. Hence the minimum profits that I have mentioned would be considerably increased by devoting a larger proportion of the land to stock-raising. Then, too, the allowance of half the wheat-land in fallow each year is probably too liberal. I am assured by a friend, who has recently returned from an extensive tour in the North-West, that quite two-thirds of the corn-land can be cropped every year, thus leaving only one-third in fallow. If this were done on the Home Farm, the profits would be increased to over 26 per cent.

On the whole, then, I am satisfied that the estimate, if it errs at all, understates the prospects held out by the enterprise.

Let us now consider to what the emigrant himself has to look forward. Having come to the conclusion that he cannot improve his condition in England, and that there are better things in store for him in that Larger Britain across the "herring-pond," he finds himself in due course settled upon a farm of 160 acres of rich virgin soil in Western Canada. He has taken with him sufficient cash—say, anything from £100 to £200—with which to purchase the necessary implements and stock,

and to provision him for the first year. When he gets fairly under way he will be able to keep at least 80 acres under crop, and this should yield him a minimum profit of £100. His stock will provide all household expenses, and pay the rent or the instalment of purchase-money. He is therefore £100 a year to the good. With this he will as soon as possible double the size of his farm, use more machinery, and increase his net profits to £200 or £250 a year. The unassuming, though warm and comfortable, frame house in which he was content to make a beginning finds itself some fine day overshadowed by a pretentious and imposing structure of brick or stone, more in keeping with the growing success and increasing family of its owner. To the Canadian tourist, indeed, one of the most striking and pleasing features about these homesteads in the North-West is the duplicate, and in some cases even triplicate, habitations of the settler, indicating, as they do, his steady and certain progress along the road to prosperity. Here there are none of those signs of a decaying industry which are so common in various parts of England. The thoughtful traveller, passing through the rural districts of Essex, for instance, experiences a feeling of profound depression at the sight of so many abandoned and dilapidated farmsteads; and the occasional glimpses of charming scenery only serve to throw into bolder relief the saddening spectacle of extensive tracts of derelict wheat-lands. In his description of the *Deserted Village* Goldsmith may, as Macaulay says, have been a false historian; but, as regards rural Essex, at least, he has proved a very true prophet. And much of the description of "Sweet Auburn" in its happy days might, without impropriety, be applied to the hamlets and villages that are springing up all over the great North-West. All the indications are of contentment and progress. Everywhere a spirit of hope and buoyancy prevails. The bracing atmosphere and the outdoor life ensure robust health; industry is sure of its due reward; and the people seem to revel in the very joy of existence.

We come now to the man who has not sufficient money to start farming on his own account. He lands in the North-West,

let us suppose, with only a few dollars in his pocket. He has, however, a valuable capital in his health, strength, and industry, and with such a stock-in-trade he need have no anxiety about the future. He is just the kind of man required on the Home Farm, where he can work for two or three years, at a higher wage than he would get in any part of England, and thus save sufficient money to start him on one of the homesteads. This experience will be valuable to him in many ways: he will have become familiar with the peculiarities of Canadian agriculture, able to gauge to a nicety the capabilities of the soil, and will strike out on his own farm with a confidence approaching enthusiasm. He has no pitfalls to be afraid of; he knows that the harder he works the greater will be his profits, and that, with ordinary industry and prudence, he can look forward with certainty to a comfortable competence, and possibly a handsome fortune. As he smokes his pipe in the evening, he will reflect that, had he stayed in England, the odds were two to one that he would have ended his days in the workhouse, and he blesses the day on which he set sail for that veritable "Promised Land."

To what extent, it may be asked, is such a scheme likely to affect the future of the North-West Provinces? This question cannot be answered in a single sentence. To begin with, a hundred and twenty English farmers would be placed on the homesteads, to grow probably 200,000 bushels of wheat annually for the English market, and to cast a hundred and twenty votes in the Provincial and Dominion elections. But is that all? I think not. It is my firm conviction that the enterprise would prove so great a commercial success that the company would be able to increase its capital to an extent practically without limit. One township after another would be acquired and settled; the highly profitable business of stock-raising would be added to that of wheat-growing; and the company would, in the course of a few years, find itself dealing with millions of acres and tens of thousands of settlers. These English settlers would exercise their share of influence in that cosmopolitan country. They might not acquire predominance over the numerous other nationalities there gathered together, but they

would at least have a leavening effect, and help to cement the ties of friendship between the colony and the mother country.

On the other hand, what is the alternative to a large influx of British emigrants into Canada? In other words, what is likely to be the result of allowing her vast territories to become peopled by foreigners? The contemplation of such a possibility is not calculated to promote John Bull's equanimity. The emigrants who are now settling in the North-West come chiefly from countries which have, especially during the last three years, shown a marked dislike for England. What is their attitude likely to be towards this country? So long as they can obtain good crops and fair prices, these men will naturally care very little about the connexion between England and her colonies. And what about the purely American immigrants, who are likely to arrive in ever-increasing numbers? Their dominating political motive will probably be found in the glorification of the Monroe doctrine. They would not be displeased to see a very close commercial, and possibly a political, union between Canada and the United States. If that proved impracticable, they would doubtless fix their minds upon making Canada a great and independent nation. And this she is eminently fitted to become. She already possesses every requisite except population, and that will come with time. Her illimitable extent of fertile land, her inexhaustible supplies of timber and coal, her untold wealth in both the useful and precious metals, and her exhilarating climate—all combine to offer Canada a future of such dazzling magnificence as even the most sanguine and enthusiastic of her citizens has not yet ventured to describe.

Canada has, in fact, arrived at the parting of the ways, and the next few steps will indicate pretty clearly which road she is destined to travel along in future. There are three distinct courses open to her. The first would lead to a closer union with the mother country, the second to union with the United States, the third to national independence. The first course is essential to Britain's stability, but it will not be adopted unless a steady tide of emigration at once sets in from the British Isles towards the North-West Provinces. The second and third may be

coupled together, for either of them would mean the starvation and surrender of England in her first continental war. The influential classes of this country have now an opportunity, which will soon slip away, of ensuring the final adoption of the first course. Will they rise to the occasion? The next twelve months will show.

ALFRED SMITH.

A PARISIAN TOYNBEE HALL.

AMONG the Englishmen of the last thirty years of the nineteenth century who have achieved any permanent constructive work, there is no one who deserves so high a place as Arnold Toynbee. The hall that bears his name has become almost a household word, and, as shall presently be shown, a model for other nations to imitate; but, in spite of the biographical sketch by Lord Milner, the history of the man himself is comparatively little known. This is partly due to the fact that the influence he exercised was the outcome of his own personal attraction, and was consequently limited to a comparatively small circle of friends, admirers and acquaintances; partly to the fact that he never lived to see the widespread popularity of the measures he advocated. Yet his career was a striking one. A commoner both of Pembroke and Balliol College, he was elected to a tutorship at Balliol without examination on the strength of a pass degree—a feat which must be almost, if not quite, unexampled in academic annals. He was little known till he was twenty-six, and died at the age of thirty-one; and yet he gained so marvellous a hold on his contemporaries that Balliol, which in Jowett's time was more distinguished for brilliance than enthusiasm, was content to consecrate to his memory the most lofty monument of pure idealism of which the latter half of the nineteenth century can boast. In his day Oxford acknowledged two characteristic influences, Jowett and Ruskin. The aim of Jowett, if we can judge his object by the event, was to produce a generation of wise and capable administrators for the service of Parliament, the colonies and the Civil Service; the general effect of Ruskin's teaching was the interpretation of morals by the canons of art, and of art by the canons of morality. Arnold Toynbee enlisted in his

cause the practical ability of the one party and the enthusiasm of the other. Though political economy was the chief study of his life, he might almost be called an agnostic in relation to this science. His work was to point out the extreme importance to the national welfare of the subjects with which political economy deals, and to lead men to approach these subjects from the human side by the experimental method. Toynbee Hall was the practical outcome of this view, and the statesmen of the future may owe a heavy debt to Toynbee Hall for the knowledge it has given them of the actual life of the working classes.

Probably, it is to the Toynbee tradition at Balliol that Paris is ultimately indebted for its Toynbee Hall. In the first months of 1895, M. Jacques Bardoux, a son of M. Agenon Bardoux, a French senator, who was well-known for his studies in the legal and social history of France, came up to Oxford as an undergraduate of Balliol. His impressions of English university life are contained in a privately printed volume, entitled *Souvenirs d'Oxford*, which he wrote a few years after his return to France. He found everything to admire and envy in the place, and a considerable amount to criticize in the men. The only English institution which won his undivided admiration was Toynbee Hall, which he visited in August, 1895. He first caught a glimpse of a typical public-house scene, and, though the subject may have become commonplace by familiarity, it is interesting to see how it strikes a foreigner—

“ Au lieu des rues étroites et riches de la cité, de large avenues ou de petites impasses avec les mêmes alignements de maisonnettes, au milieu desquelles les bars viennent jeter leur note rouge. Autour de ces bars grouille une foule ignoble d'enfants malingres et de vieilles hideuses. Poussez une de ces portes et vous apercevrez un spectacle qui ne s'effacera jamais de votre mémoire. Dans une atmosphère fétide se presse un troupeau d'hommes et de femmes ; ici appuyée contre le mur, une jeune femme pleure, en proie aux premiers hoquets de l'ivresse ; là deux gamins se roulent à terre ; au milieu d'une groupe deux vieilles édentées, pieds nus, vêtues de loques s'injurient. Et la foule passe indifférente, tandis que la pluie fait rage, couvrant les rues d'une boue noire et le ciel d'un voile de deuil.”

In happy contrast to this vision of squalor was Toynbee Hall,

which in externals "resembled one of the ladies' colleges at Oxford." The idea of a Parisian Toynbee at once flashed through M. Bardoux's mind, though it was several years before it was destined to be realized.

"Je pensais à d'autres pays qui n'ont pas encore songé à rapprocher leurs jeunes gens de cette autre jeunesse qu'on appelle le peuple, pour lui faire oublier une part de ses souffrances en lui parlant du vrai et du beau, et recevoir en échange la salutaire leçon qui se dégage des misères humaines."

M. Jacques Bardoux was not the only person in France who was impressed with the same idea about this time, though the earlier social experiments did not take the same shape as Toynbee Hall. While the Luxembourg was being repaired in 1895, M. Sorel, a son of the historian, used to collect the workmen in the evenings and expound his desire to promote a feeling of sympathy between the intellectual and mechanic classes. The meetings came to an end as the workmen shifted their quarters, but the movement thus started has continued in a different shape to the present day. Far more important was a reunion of workmen organized by the printer, M. Deherme, in the Faubourg Saint-Antoine. At first these meetings were on a small scale, but in 1898 the organization blossomed into publicity under the title of the Université Populaire du Faubourg Saint-Antoine. The professors of the University of Paris welcomed the foundation, the newspaper *Le Temps* lent its support, and the wide influence of M. Deherme among the working classes was a guarantee of success. At this time the movement inaugurated by M. Bardoux was still in the air, and at first it was feared that there was no room for any similar undertaking. The scheme was a long-cherished one, and it was not without a pardonable disappointment that M. Bardoux and his friends saw their ideas anticipated by M. Deherme. Fortunately the Université Populaire du Faubourg Saint-Antoine took a somewhat different direction, and in its present shape it is more allied to a People's Palace than to Toynbee Hall.

It was an accidental meeting at Oxford between M. Ruyssen, whose thoughts had been directed towards the foundation of a

Parisian University settlement both by his own work among the Parisian artisans and also by a visit to the English Toynbee Hall, and another Frenchman of similar aims, which first converted the aspirations of these French students into a settled purpose. In a very pleasant passage M. Bardoux again acknowledged the local inspiration of Oxford: "It was in the garden of St. John's College, beneath its gothic loggia and its spreading trees," that the idea was discussed. Unfortunately there were many obstacles in the way. M. Bardoux was little more than twenty at the time, and the necessities of military service, while they deepened the social sympathies of the workers, hindered any active performance of their designs. It was not till November, 1898, that M. Jean de Schlumberger, a grandson of M. Guizot, who from the first had taken an interest in the work, and eighteen other students issued a pamphlet entitled *Appel aux Étudiants*, which embodied the earlier ideas of the ultimate founders of Toynbee Hall. A certain amount of extravagance is inseparable from enthusiasm, and no one need be surprised to find a certain magniloquence in the phrases of this pamphlet. It was proposed to unite, on purely moral principles, the students of all the universities of France: a "Ligue Gallia Rediviva" and a "Union pour l'Action Morale" were freely discussed. We are reminded of Robert Owen's abortive "Union of all classes of all nations," and it is easy to see that at this early date the whole scheme would have remained nothing more than a castle in Spain but for a rare combination of practical good sense and lofty enthusiasm on the part of the promoters. Eventually it was declared that the youth of France, "inspired by the example afforded by England and the United States," had decided to found a society for the creation of popular universities. Statutes were at once drafted, which proclaim on almost every line the inspiration of Toynbee Hall. Article 2 declares the intention of the founders to establish a house where men of every social position and profession, bound together by feelings of sincere and disinterested solidarity, may meet for purposes of mutual education; to organize in such house "a course of artistic, literary and scientific instruction; to establish

a library and a game-room, and to afford legal and medical advice." Article 3 declared that the society was free from any sectarian spirit, and political propaganda was forbidden. The best proof of the fidelity with which this principle has been observed is the fact that the institution has been attacked both by the clerical and the anticlerical parties. The active members were to be between eighteen and thirty-five years of age, and were to pay an annual contribution of at least three francs. The next few months were spent in collecting the necessary funds; and it speaks volumes for the courage of the promoters that they were prepared to commence operations with £100.

Belleville, a district in the north-east of Paris, was selected as the site of the experiment. In the eighteenth century it gained an unenviable notoriety as the abode of the demi-monde, and consequently it was especially susceptible to the violence of the revolution. Its political activity gained it the name of the Mt. Aventine of the democracy; it was the electoral district which returned Gambetta to the Corps Législatif in May, 1869; and at the present day it is as famed for the advanced views as for the intelligence of the workmen of whom the population largely consists. It is not the most densely populated part of Paris, though its density (634 persons to the hectare) is double the average which prevails over the rest of the city. A small house, No. 151, Rue de Belleville, was taken almost in the heart of this district; the working-class organizations were informed of, and lent their approval to, the project; 10,000 handbills, which embodied a programme judiciously mingling pleasure with utility, were distributed, and the inaugural meeting was fixed for 2.30 p.m. on the 5th of November, 1899. In spite of all this preliminary labour, the workmen gave the committee a very bad half-hour when the institution came to be opened. More than half an hour had elapsed since the time announced before a single workman put in his appearance. These fears, however, were at length dissipated, and before an audience of twenty workmen M. Tannery expounded the idea of the settlement. At the end of the first day ten working-men had enrolled themselves as members, and by the end of the first

month the number was increased to forty-five. Ever since, and in spite of some periods of serious crisis, the numbers have been well maintained. In the first year, on an average, thirty-two members joined every month ; the daily attendances of workmen amounted to thirty or forty a day, and the library circulated 125 volumes a month. The founders felt strong enough to put the management in the hands of a committee elected by the workers ; and scarcely six months had elapsed before it became necessary to move into larger quarters at 19, Rue de Belleville.

From the first it must be confessed that the Belleville settlement has appealed only to a small number among the French workmen. Though out of 353 artisan members on the books in September, 1900, all except twenty were, strictly speaking, manual workers, yet almost all of them belonged to the higher grades of industry and fell under the category of skilled workmen. There were scarcely twenty members whose occupations could be described as purely manual. The founders do not hesitate to acknowledge this fact ; and they claim, rightly enough, that it is best to work downwards, and that to appeal directly to the less intelligent among the workmen would be to alienate the more intelligent. Yet in order that the work of the settlement may not be hindered in future years by the smallness of the class from which its members are drawn, a children's branch of the settlement has been organized, and it is hoped that the children as they grow up will send a constant stream of recruits to the parent institution.

Since, as has been said, the settlement comprises the élite of the working-class population, it is a matter of some interest to discover their predilections. In the first year 167 lectures or lessons were given at the settlement, which may be divided into the four branches, philosophy, literature, economics, and science. It is characteristic of the French love for abstract ideas that the philosophical course won most adherents. In the first months of the experiment, philosophy was approached through the study of the *Republic* and *Phædo* of Plato, and the books of Aristotle, Seneca, Epicurus, and Marcus Aurelius. By way of commentary the *Cité Antique* of Fustel de Coulanges was read.

It is difficult to think of any body of men to whom such a course would not be trying at the end of a day's labour; and though the lectures excited eager discussion whenever the ancient philosopher touched on a modern problem, it was felt that a simpler method of treatment must be adopted. Lectures were given on the methods of science and scientific men; the problems of psychology were briefly treated in a series of four lectures, and the course was completed by lectures on Hellenic and Christian morals, the relation of the State to the individual, and the leading political ideas. The course was a complete success, and was attended by thirty-five to forty workers, a result which may perhaps be attributed in a large measure to the skill of M. de Schlumberger and M. Rivaud, its organizers. The same can hardly be said of the literary course. In literature as such the workmen took no interest; criticism and appreciation seemed barren and profitless, and it was only when the course incidentally touched on historical or philosophical questions that the interest of the workers was awakened. Fortunately an artistic course was coupled with the literary, and supplemented as it was by visits to museums and galleries, it compensated for the literary failure. The two other courses, the scientific and the economic, were begun at a late date. The first, owing to the difficulties of exposition, has hitherto been in a tentative stage, and it would appear to be very difficult to teach the foundations of scientific knowledge in such a way as to enable a workman to understand the most elementary lectures. Economics, on the other hand, have excited general attention. Lectures on the industries of Germany, China, Holland, Japan, and England were well attended; and after the philosophical course this promises to be the most successful. On the social side attention has been paid to games, music, and the drama. The latter has become so popular that music has fallen temporarily into the background; and the number of workmen who are anxious to take part in the dramatic representations is liable to lower the character of the pieces played. In this direction a reform is meditated.

The library now possesses two thousand volumes, with a

circulation of over a hundred volumes a month. As was inevitable, fiction holds the field, but the percentage is not so high as in an ordinary public library. Of books issued 50 per cent. were works of fiction, and it is found that Dumas père, Victor Hugo, Balzac, Loti, Zola, Jules Verne, and Anatole France, constitute the favourite literature of the Parisian working man. Of the other subjects philosophy again heads the list with 13 per cent.; literature, poetry, and the drama number 11 per cent., works of travel 5 per cent., and science 4 per cent., while other branches of learning are represented in inconsiderable proportions.

Enough has been said to show that the path of the founders has not been free from difficulty. Not the least of such difficulties is the high standard of systematic instruction they have set before themselves. This has no doubt alienated all except the élite of the workmen; and they have probably acted wisely in paying more attention to the quality than to the quantity of their work. The undertaking has not had quite the same success among the students as it has among the workers. Out of 134 honorary members, who have assisted in the foundation of the settlement, only about thirty have done any active work. It is not easy to transplant an English idea into a foreign land, and it may be some years before the settlement gains the same support in the University of Paris as Toynbee Hall does from the University of Oxford. In any event the Fondation Universitaire de Belleville is not likely to find any students so able, so disinterested, and so enthusiastic as its first founders. It is hardly necessary to emphasize the importance of the work they are doing in a country like France, in which a hostile or uneducated working class constitutes a peculiar danger.

OGIER RYSDEN.

CO-OPERATION AS A LINK AMONG NATIONS.

THE extraordinary advance which Co-operation has made within the last few decades, spreading out a veritable network of co-operative institutions over the whole civilized world, will have to rank as one of the characteristic features of economic development in the present era. The movement still continues. New organizations crop up in every direction. New provinces of economic life are steadily being laid under contribution. The very interesting reports recently published in connexion with the International Co-operative Congress held at Manchester in July tell a tale of growth and consolidation in almost every quarter of the world. However tiny may be the pioneer settlements experimentally set up, say in India, or in the West Indies, still they plant, like a Livingstone or a Stanley, the standard of this new form of civilization on new soil, at points from which its influence is sure to diffuse itself around. Meanwhile, on older ground, the co-operative host is mustering in evergrowing force. Great Britain now holds close upon two million co-operators. Germany numbers over twenty-one thousand co-operative societies. In Switzerland and Italy co-operative societies vie with municipal bodies in the execution of public works, the cost of which would in this country be put upon the ratepayer. In Switzerland an entire canton is already supplied with electric light and power from co-operative works. In Italy co-operative societies establish themselves on the banks of rivers in order to exploit for the public benefit the motive-power of the current transformed into electricity. In the North of Europe, where Finlanders, following the Danish precedent of nearly forty years ago, have thrown themselves with admirable energy into co-operative enterprise, with a view to making up for political discomfiture by agricultural prosperity,

Co-operation has been carried almost to the very limit of habitableness, to the very verge of the Arctic zone. So the tale goes on. And all this activity means, if not at the outset, at any rate prospectively, a very great deal more than the mere elimination of the middleman and more advantageous buying and selling. We have got beyond that. Co-operation is now no longer a mere "question de l'estomac," the familiar "énigme a quatre mots : Le peuple veut manger." The Store may henceforth be left to take care of itself. Co-operators have risen to higher and nobler tasks. And the discussion at the Manchester Congress, at which some hundreds of representative co-operators from pretty well all civilized countries met in hearty unison, bears ample witness that such nobler work is being taken up with zeal and intelligence, and that its importance is generally appreciated. The substructure thus far created by economic action has, in fact, provided solid standing ground, from which co-operation may effectively apply itself to more generally useful enterprise. Co-operators consult about social improvement, about housing and land settlement, about peace and the banishment of war.

From all these facts one cannot help drawing an encouraging conclusion. We hear a good deal nowadays about "collectivism," and about its growing popularity and power, as also about its supposed dangers, which alarm some timid folk not a little. Here we have an undoubtedly "collectivist" movement which, as the *Times* admits, has "conferred a greater volume of solid, unalloyed good" on the world than any other cause, benefiting "all who have taken part therein" and scarcely less "those who have not taken part." What is the reason of its harmless-ness and beneficence? Other "collectivist" movements have all, without exception, had their ups and downs: their triumphs, which have at times made them momentarily arbiters of the fate of nations; and their eclipses, their changes of principles and of programmes—even, where they have come nearest to steadiness, the inevitable "old" and "new" dividing their followers. Co-operation has remained throughout steadfastly the same; it has never changed a principle; it has supplied its

own reputed parent, Socialism, in its temporary decline, with its own distinctive valuable weapon, to give it once more a new lease of life. And while other movements have often enough had to desist, discouraged, from their work, co-operation has pushed steadily along, gathering ever new force, going from strength to strength, till it has become almost a world within a world. Are we not right in concluding that in co-operation, which only builds up and never destroys; which creates, and therefore is bound to respect, property; which unites men for "collective" action just so far as collective action is requisite and expedient, while leaving at the same time individual interests and possession untouched; which has from the outset recognized that the desired amendment of the existing state of things is not to be accomplished all of a sudden by a great social upheaval or by Acts of Parliament, but must be patiently laboured for through generations, and based, above all things, upon the improvement of man himself, by education and moral and intellectual training, we possess a form of "collectivism" harmless and useful, because it satisfies the powerful natural instinct for combination, while yet leaving the mainsprings of wholesome human action, that is, private interest and personal responsibility, unimpaired? Even when dealing specifically with wages, co-operation does not simply blurt out a demand for more. It suggests: *da ut dem*—"Give me my share in the profits resulting from my labour and I will assure you a good return in the shape of output." Here is a principle accounting for success, a kind of trust, which co-operators may well guard jealously and study to keep pure.

Turning back to the facts actually before us, the tale of the growth of co-operation is not really as simple as may at first blush appear from the mere figures published. In one respect its remarkable expansion indeed pretty well explains itself. The advantages of collective purchase have worked their own propaganda. But one cannot, beyond this, help being struck with the astonishing variety of form in which co-operation has managed to deck itself—quite independently of that interesting backward vista of historic milestones, still traceable along the

entire line, which mark the various stages of development from the rudimentary institutions of a bygone age, the *pomotch* and *zadruga* of the Slav, the equally elementary *sociedade familiar* of the Iberian, and so on, to the superbly equipped, up-to-date modern workshop of Manchester or Paris. Richly adaptable in form, co-operation has shown itself capable of supplying almost every human want. The Italian rural labourer, who is too poor to strike, finds that by its kind help he can obtain for thousands of his class all the advantages which a successful strike might have given him—that is: better wages, independence, suppression of child-labour in unhealthy occupations, in some cases even the command of the labour market in a whole district. In Germany, Italy and Belgium the artisan and small cultivator make co-operation their bank, which supplies them with working capital and allows them good interest on deposits. Once more, in Germany, Belgium, and, to an enormous extent, in the United States, the working man and small peasant are beholden to co-operation for their comfortable dwellings, with provision made for their families after death. Over more than half the Continent, from Finland down to scarcely half-developed Servia, the agricultural producer could now scarcely do without co-operation, which works for him, like a Robin Goodfellow, in innumerable ways suggestive of a veritable Briareus endowed with any number of hands. In many cases it doubles his receipts. People will sometimes still have it that co-operation cannot produce industrially, because, among other things,—as Mr. Fenwick the other day quoted Mr. Gerald Balfour, acting as spokesman for a large class of doubters,—it could not “give a salary large enough to command the highest ability,” nor be willing “to place the supreme control of affairs” in the hands of a capable manager. To that objection the magnificent exhibition of co-operative products exposed to view at Manchester, in connexion with the July Congress, ought to serve as a sufficient answer. Not a third or fourth part of what co-operation is really capable of producing was there really shown, even in sample. British co-operation by itself could have filled twice the space. Foreign co-operation, whose products are at least as

varied as those of British, was for some reason or other only very sparingly represented. Probably foreigners had not been aware what a signal success the exhibition was going to prove. It was the first of its kind. But, take it all in all, it gave ample evidence of abundant producing power, or it would not have attracted over fifty thousand visitors, independently of season-ticket holders. That fable about inability to command directing power is an exploded myth. Salary, by the way, is not a trustworthy test of capacity, or German manufacturers, paying smaller salaries, would not be successfully crowding us out of our own markets. There are moderately salaried managers in co-operative concerns who, as a wealthy and successful employer remarked to me at Manchester, pointing them out, would in private employment be carving out fortunes for themselves. It is not to our much belauded "Captains of Industry" that we owe those valuable inventions which for a time secured us prestige and superiority—the jenny, the mule, the frame and so on—but humble workers in the mill. And who knows whether, with self-employment, and a prospect of "the whole produce of labour" held out to stimulate working men's intelligence, by means of co-operation, it may not once more be reserved for working men to find for us means wherewith to recover our lost ground. Excellent work, so it is shown, may be done at a small salary. However, co-operators have indeed learnt to appreciate good leading, and now pay for it gladly, and allow it free play. In any case co-operation has shown that it can produce, and produce well enough and cheaply enough to compete in the open market.

So far from co-operation being hampered in its work by any incapacity to grapple with great problems, it is, in truth, rather excessive facility of success which has become a hindrance to it. At a good many points it is so easy to succeed that, as M. Luzzatti has said of his own co-operative banks, it "has succeeded too well." Success at any one point is apt to force other objects out of sight, and thus to narrow the aim. And so we see different classes of the population thronging in in shoals to benefit by co-operation, and succeeding partially to their

hearts' content, but at the cost, not rarely, of seriously deflecting their course from the proper line, and foregoing the better for the sake of the good. Great as is the variety of form adopted in co-operation, the variety of character exhibited, with almost necessarily some blemish or at any rate shortcoming appearing somewhere, is at least as great. Unobserved, probably, by outsiders, this difference in character troubles those who can observe it not a little. For it may mean loss of what is far more valuable than immediate success—that is, sound principle. We, in Great Britain, having concentrated our attention mainly on "stores," have in that province proved brilliantly successful, but have almost come to measure success exclusively by balance-sheet and dividend. Elsewhere agricultural co-operation, once it has succeeded in attracting large numbers of adherents with votes, has readily turned those numbers to account for purposes which are foreign to co-operation. It has in many instances become agrarian, selfish, protectionist, State-socialist, looking for subsidies and influencing legislatures onesidedly for the promotion of class interests. Middle-class co-operation, rigorously true to principle, has wrapped itself up in its orthodoxy, and become self-righteous and intolerant, though at the same time often kind, but condescendingly patronizing, to working men. "Religious" co-operation seems inclined to put denominational objects foremost. Socialist—or what calls itself socialist—co-operation, which is a factor of particular importance at the present time, when democracy is rightly rushing in everywhere to make co-operation specifically the poor man's helper, is as much disposed to turn co-operation aside out of its straight, legitimate path, and make it too much a weapon for party warfare. In this way co-operation, although in most quarters exceedingly successful, so far as it goes, necessarily becomes one-sided and incomplete.

However, fortunately, to set against such shortcomings, there is, in almost every instance, more or less to balance the fault, some distinctive merit apparent, which one would wish to see more common, as there is no reason why it should not be. Our own co-operation, if on the one hand rather excessively

“business-like” and dividend-hunting, is on the other hand undoubtedly sound and self-reliant. So is the middle-class co-operation abroad, in some respects to an almost greater degree, concentrating, it is true, all its attention upon economic aims, but scorning every approach to outside help, be it from the State or from any one else. “Religious” or denominational, as well as “socialist” co-operation, shames all other forms by stooping down to help the very poorest; helping him, that is, to help himself. That is what our British co-operators openly complain that they do not at present accomplish. The reason is that both “religious” and socialist co-operation have an ideal, which they strain every nerve to attain; which may in itself be questionable in character, but which to them stands high, and constrains them to adapt their machinery so as to make it bend to the lowest depths of misery. In the same way agricultural co-operation, if self-seeking, is, on the other hand, remarkably fertile of devices which, by means of the admirable organization adopted, carry the benefits of collective action to all points of the multifarious calling.

In every quarter, accordingly, there is some good to be found to balance the bad. And the good is, as it happens, essential, whereas the bad is purely adventitious.

It would be odd indeed if, with all this variety of material to work upon, manifestly of a nature mutually to supplement what is wanting in every part, instinct with life, and zeal, and eagerness for progress, some attempt had not been made sooner or later to bring about a junction of forces. There is opposition still to be faced in not a few quarters. All sections alike are interested in the creation of an independent market. And all are anxious to learn, with a view to perfecting their own machinery, as, on the other hand, all are eager to teach, because co-operation knows of no trade secrets.

The Manchester Congress has afforded signal proof, if new proof were required, that the union evidently called for has in point of fact been brought about, and brought about not only on becomingly broad lines, but also in a proper spirit of hearty collaboration, ready mutual consideration, and willing

give-and-take, with, generally speaking, steadiness of purpose maintained by those who guide the organization. The union so formed undoubtedly provides an admirable instrument for the further diffusion, and also the perfecting of co-operation. It has not been built up without some trouble, and not a little diplomacy in respect of tender susceptibilities and little rivalries such as, unfortunately, are still rather too rife in the co-operative world. But there it is!

Oddly enough, this satisfactory result has not been brought about without a curious gyration, which has eventually carried back the Alliance to the very point from which it originally started, and from which its first authors were particularly anxious to get it away. The story wants telling, because it explains the present situation, and also conveys a wholesome lesson, showing what danger there is in exceptionally onesided development.

The International Co-operative Alliance was, notwithstanding its very comprehensive title, formed at the outset distinctly as a *profit-sharing* organization, with its aim even still further narrowed, so as to confine its propaganda practically to the sphere of co-operative associations. It was the persistent refusal of the English Co-operative Wholesale Society which, in 1892, at the Rochdale Congress, determined the late Vansittart Neale, Judge Hughes, and some other zealous profit-sharers to endeavour to form an International Alliance, which was to have the distinct object of making profit-sharing common among co-operative organizations, and, above all things, compelling the refractory society of Balloon Street into compliance. Since the "Superi" of the Co-operative Union, held in thraldom by their Balloon Street Zeus, would not accept the profit-sharing programme, the Union must be broken away from, and the foreign "Acheron" must be powerfully moved into setting up a counter-organization. The British Chriemhild resolutely held out her hand to the foreign Attila, in order that, with the aid of his Huns, the recalcitrant Burgundians might be subdued. Obviously on so narrow a programme no "International Co-operative Alliance" could be successfully built up. The herald who was to carry the message abroad accordingly promptly

insisted upon a widening of the scope to its present measure. As it happened, the most determined opponent of the Wholesale in the conspiracy availed himself of the very first opportunity offering effectually to undo his own work. An International Alliance was not to be started without money, and money was to be had of the Union. How would it be to invite the Union in as a convenient paymaster, and then hold these unwilling contributories to the profit-sharing programme by superior skill? The thought appears to have been too tempting to be rejected. Not a word was broached to the other members of the committee; but behind their backs the Union was brought in, Wholesale Society and all, on the ground of an agreement which practically made profit-sharing once more an open question. From that moment, of course, the whole new programme was virtually thrown overboard. Profit-sharing, individual membership, and the creation of international trading relations independent of the Wholesale Society, for the peculiar benefit of "individualist," that is, self-employing and labour-emancipating, productive associations — the very things that our schemer had most at heart—became hopelessly doomed. The sentence upon them thus pronounced has now been carried into effect. The Union, invited, came into the Alliance, with its host of members and its liberal contributions, which now amount to two-thirds of all the funds subscribed, and, having paid the piper, as a matter of course it claimed to call the tune. Some very injudicious trailing of profit-sharing, as if it had been an Irishman's coat-tail, on wrong occasions, successfully achieved the work of destruction, and the overclever hand which aspired to monopolizing had in the end entirely to relinquish the helm. However, the mischief was done.

Individual membership and independent trading relations are not to be overmuch regretted, as matters have turned out. As regards the latter, obviously the position of things is altogether changed now that wholesale co-operative societies are organized, or being organized, all the world over, to focus co-operative business. It requires rather exaggerated pessimism not to foresee that from all this business international trading

relations must sooner or later result which will benefit independent societies as well as others. As for individual membership, the purely declaratory resolution adopted at Manchester, nominally abolishing it, except where the committee see reason to retain it, does no more than what Lord Beaconsfield, when introducing his illusory Agricultural Holdings Bill of 1875, called "establishing a principle." In that case it took a good many years to make the principle effective. The principle is necessary in view of an abuse still prevailing in several countries embraced by the Alliance, which permits individuals absolutely to usurp representation, while altogether ignoring organizations, to the extent of even sending unqualified "representatives" of their own to congresses, who are expected to be received there with special honours. That ought to be discouraged. The proceedings at Manchester have also made it clear that the majority of members of the Alliance now desire, as they have a right to do, to have the principle of "delegation" adopted, as applying to the various countries. That necessarily presupposes representative organization. And whether it be right or not, the wish of the majority will have to be complied with.

The question of profit-sharing stands on a different footing altogether. Its virtual disappearance from the Alliance programme is most seriously to be regretted, and to be regretted all the more that it was absolutely gratuitous, and might have been avoided with the greatest ease. It is not open opposition that has killed it. The Union was impatient, but not hostile, only indifferent. The few Belgian, German, and French Socialists, who, having quite inadvertently come into a meeting which they did not know to be "special," so as to make them intruders, declaimed with some vehemence against profit-sharing, were in a hopeless minority. The declared champions of profit-sharing had the ball at their feet, as they have had it several times before, but did not care to take it up. When, owing to the unauthorized agreement with the Union in 1895, the profit-sharing resolution already passed was practically rescinded, a new opportunity for action was given them by the constitution, in 1896, of a Permanent Profit-sharing Committee. When for

years together that Profit-sharing Committee, first acclaimed as a very godsend, had persisted in doing nothing, advantage was taken of a resolution, *purposely* brought in at Paris, and passed, calling for the collection of information, to bring together in this year's Congress volume a series of reports upon profit-sharing in various countries, which is unique in value alike for interest and for instructiveness, contributed by the highest authorities in the several countries. A motion was submitted proposing that the Congress should be applied to for authority to constitute a larger profit-sharing section, to which individual members were to be eligible, and which, though acting under the authority of the Alliance, was to enjoy home rule in its work of profit-sharing propaganda. It is practically certain that the Congress would have agreed to this. And by such means an organization might have been provided well qualified to do admirable service throughout the world. However, all energy appeared to have died out of the whilom doughty champions of the cause. The motion, previously agreed to by the most prominent co-operators present, could not be put for want of a seconder! And there, so far as human foresight can judge, ends the connexion of the International Co-operative Alliance with profit-sharing!

It is a thousand pities! For never, assuredly, were circumstances more favourable for the extension of profit-sharing, and even more so, if a distinction may be made, for that of labour-copartnership. Evidently people have grown weary of industrial strife. They are seeking for a remedy. The *Times* itself has raised its voice in favour of profit-sharing. And employers are manifestly willing to be fair, and, if possible, more than fair, so as to give a peaceable encouragement to good work. It is at this point, indeed, that, at the moment, a formidable danger to profit-sharing arises. The profit-sharing reports referred to are unanimous in complaining that profit-sharing, in spite of its admirable results, will not spread. At best it remains stationary. They also state that, in the absence of profit-sharing, *œuvres patronales*—which give the employees something of the employer's bounty and generosity, gratuities in fact—are rapidly

increasing in number. This is the case not only in the United States, in respect of which country Professor Gilman calls particular attention to the fact. In Belgium and France such *œuvres patronales*, which predispose working men *against* profit-sharing, have long been known and favoured. They are extending in Germany. And as regards this country, a leading authority in the Co-operation Union stated to me on the very day of the profit-sharing meeting:—"In the Union profit-sharing is dead; because people know that they may obtain the same results by other means." The latter proposition I deny. Egyptian fleshpots are not equivalent to liberty in the Promised Land. But there is the fact. In sheer weariness of spirit Professor Gilman, the peculiar apostle of profit-sharing, declares that he is willing to rejoice at *anything* that improves the workman's lot. Other prominent profit-sharers are dropping out of the ranks of missionary militancy in the same spirit of fatigue. What is actually wanted is to show the employers that profit-sharing is to their advantage. They are backward to see it. And how are they to be convinced unless there is some one to convince them? It is "boring altogether with the wrong tool," as the Americans say, to try to work up a movement in favour of profit-sharing *among workmen*. Such a thing is not to be extorted by a working men's rising. And so far from being willing to join in a rising, the bulk of the working men hold sceptically aloof. What are we, to quote from Mr. Holyoake's masterly speech at the profit-sharing meeting, to think of apostles who will not define their own gospel, or describe it, for want of sufficient command of suitable terms—as was done at Delft—as "something so supremely spiritual as to defy definition" (surely an unpromising missionary cry!), and who, when one of the first experts on the subject, such as Professor Böhmert, possessing a better command of terms, comes forward to offer them a definition which Mr. Holyoake accepts as altogether good, unceremoniously bow him out of their meeting with scarcely a curt "thank you" for his pains? This was done at Manchester, on the motion of an avowed profit-sharer.

One cannot help parting with profit-sharing in the working programme of the Alliance with extreme regret. However, its defeat has served this good purpose: it has removed a standing cause of discord, far too much called into requisition, and has given the Alliance unity. It is a noble object gone. However, the Manchester Congress has shown that ample other good objects remain, and that the members of the Alliance generally are willing to take them up with becoming spirit. Indeed, the distinctive feature of the Manchester Congress was a rising above the pettiness of ordinary Co-operative Congresses, with their discussions about "store management," and the rest—fit enough for lectures and sectional gatherings—to something higher and of more general interest.

That point, like the first formation of the Alliance, was not reached without prolonged preparation and steady prosecution of a clearly realized aim. No doubt the Alliance began well from the outset. Its first Congress, held in London, in 1895, was, in truth, what Charles Robert called it, "un éclatant succès"—a "most businesslike convention," as Mr. N. O. Nelson styled it. The earnestness and consciousness of a distinct aim which pervaded all the proceedings were subjects of general remark. At Paris and Delft, over a good deal of talk that might have been curtailed, the Alliance, borrowing its tone from its surroundings, went just a little astray, and frittered away some valuable opportunities. However, all the time it was settling down. People came to know one another better. Prejudices and other barriers were gradually broken down, and a feeling of common touch, unity, and comradeship was generated. At Paris, in 1890, amid not a little talk of the old sort, there was one note of serious business to be distinctly heard ringing through the chaos of discussion. Whatever else may or may not be wanted in Continental co-operation, one want seemed palpably self-evident, and that was good wholesale trading. The Central Committee accordingly put wholesale trading prominently upon the programme. And that proved to be the one good grain of the harvest. The subject keenly interested all foreigners. The paper read was listened to in

rapt attention. It gave people something to carry home with them—a *leitmotiv* to occupy their thoughts. And, ruminating upon it, they have already produced visible results, which promise to go on multiplying. At Manchester, the Central Committee had no peculiar "ideas" of local organizations to take into account. It was free to shape its programme altogether its own way. It took care to push the lesson of wholesale trading, already partially learnt at Paris, thoroughly home, by teaching to the eye, which has proved even more instructive and acceptable than the previous teaching to the ear. Those visits to co-operative establishments—the Wholesale, the Rochdale "Mecca of Co-operation" (which led the foreigners to break out into enthusiasm), and Hebden Bridge—are certain to be remembered, and to do untold good. In the Congress itself weighty social problems were discussed with remarkable earnestness, proof being thereby given that the classes peculiarly qualified to grapple with these "social" problems—because they affect themselves, and they have the means for dealing with them at their disposal—already take a keen interest in these matters along the whole line. The discussion unmistakably revealed a spirit of "solidarity" pervading the whole mass—a spirit of "solidarity" all the more apparent and the more creditable since one of the issues brought forward was peculiarly national, that is, British. Obviously that is the way in which the Alliance may be made useful, by concentrating all the information available in different lands upon one necessitous point—as Napoleon did his armies—and so driving a valuable lesson home where it is preëminently needed, and "leaving a blessing behind." At Paris—so to speak, in the centre of the Continent—the Alliance dealt, as observed, with wholesale trading, in respect of which the United Kingdom is the teacher, all the Continent the learner. In Belgium, in Germany, in Hungary, it will have to select subjects which are "burning" in those countries. In Great Britain, the Housing Question and the Land Settlement Question were quite clearly marked out by circumstances as the subjects of all others to be taken up.

The Housing Question, which stood first on the programme,

indeed possesses an interest at present also for other countries. And valuable information was brought forward from various quarters. The object to be attained in the discussion was to elucidate the matter from as many points of view as possible, so as to interest members, and enable them to institute comparisons for the ultimate choice of the best model. That is why so many communications were invited. It is a pity that, for the moment at any rate, some of the teaching of experience should have missed taking all the desired effect, simply because the working men present, being accustomed to measure everything co-operative by one and the same standard, failed to discern beneath an unfamiliar husk a very useful kernel readily adaptable to co-operative uses. Thus Sir Gilzean Reid's method, which has produced very good results, was eyed askance purely because those who follow it at present pay as much as 8 per cent. dividend on capital, which certainly is too much. However, that is a matter of detail which may readily be remedied by a limitation of dividend. On the other hand, insufficient attention was paid to the method of the Artisans' Dwelling Company, which has done more than any other body for providing working men's dwellings in London. This company rigidly limits dividend. However, it is registered under the Companies' Act, not the Co-operative. That, again, is a matter wholly on the surface. The system has been proved to be good. The papers rightly attracting the lion's share of attention were those contributed severally by M. Omer Lepreux, Director-General of the National Savings Bank of Belgium, and Landrath Berthold, chairman of the section of Building Associations in the German Co-operative Union. These papers are brimful of interest, of the greatest present value, more particularly for this country. For they show how public funds, such as we possess in plenty, —that is, both Savings Banks funds and other deposit money,—may, under an enlightened policy, be employed with the greatest public benefit, and without an atom of risk, for the provision of working men's dwellings, which we have not, and want badly, returning at the same time a higher rate of interest than our present mode of investment will allow of. *Probatum est.* The

system has been tried, for a good number of years, under conditions which ensure strict supervision and control, because it is the State which stands surety for the funds; and the State may be relied upon to take care that it is secured. The more the method is practised the more it increases in favour. How Sir Michael Hicks Beach could, as Chancellor of the Exchequer, decline so much as even to allow such evidence to be heard before the Savings Banks Funds Inquiry Committee, opposing a firm resistance when members of that committee themselves urged that it should be taken, and could decline it on "public grounds," is, to an ordinary person, uninitiated in Downing Street habits of thinking, absolutely inconceivable. However, Sir Michael's answer to Mr. Channing (on June 3) seems to show that he was from the outset prejudiced against the Belgian Savings Bank, notwithstanding its excellent record,—quite wrongly prejudiced, as Mr. Lepreux conclusively showed in his paper, scenting danger where danger has been carefully eliminated, with the help of something freer, but also very much stronger, than Downing Street red tape. Both papers referred to deserve to be widely read.

The Land Settlement Question, in its direct application, is almost purely British. The papers read were wholly to the point. Mr. Winfrey's shows what has actually been accomplished in this matter with the aid of *co-operative* methods in two English counties. Sir R. Edgecumbe and Major Poore had tales to tell of public-spirited action by individuals, coming to the rescue of a landless peasantry, and securing for them, by their temporary interposition, the land which they coveted, at a comparatively cheap price, increasing at the same time the productiveness of the district, and settling a goodly number of families in a previously scarcely inhabited area. Obviously, what these two individuals have done, *co-operative* societies in command of sufficient funds may do quite as well—nay, with even greater ease. And the general opinion evidently was that they should. What was particularly gratifying about this debate was the spirit and interest with which the Congress entered into the subject—not only a few here and there, but the whole body of

the meeting. And all that was said was to the point. Evidently our labouring classes are interested in the matter. Once more it is to be regretted, but not altogether to be wondered at, that the majority of the Congress could not quite seize the particular point with which they were asked to concern themselves—that is, that it is safe to employ *deposit* funds, liable to withdrawal, for housing and land settlement purposes. The aim of the papers read was to show that it is safe—that the money laid out is not only secure, but may be counted upon to return in sufficient time to be available for meeting withdrawals. However, the "collectivist" feeling was too strong upon the majority to allow so practical a demonstration to pass. Deposit funds or not deposit funds, once a co-operative society lays out money in land or houses, nothing would content our majority but that the property must be permanent and collectivist. Thus, at any rate in the resolution passed, the point which it is very important to establish was missed. The principle was not vindicated that *deposit* funds, of all others—which are at present alone available—may be safely invested in the way suggested. And while only deposit funds are available, collectivist Congresses may pass resolutions in favour of permanent collectivist holdings, as the saying is, "till all is blue," without making any impression upon conscientious guardians of such money. Fortunately, if the resolution is wanting in pointedness in this respect, the evidence upon which it is based is absolutely clear and convincing.

Not the least gratifying incident about the Congress was the quite unmistakable earnestness and unanimity evoked by two resolutions dealing severally with the questions of peace and of arbitration. The International Peace Society had held out its hand to the co-operators of the world, inviting them to come and work conjointly with it for the furtherance of peace. And the co-operators readily and joyfully grasped it, and promised to do their part. Mr. Thomas Barclay had brought forward a proposal which is to bind the United Kingdom and France together by a permanent arbitration treaty. And spokesmen of all nations represented rushed to the platform to

bid the proposal God speed. Only the German Socialists, including the German representative of Switzerland, were wanting in this "European Concert," on the ground—just a little pedantic, as will be thought—that this matter lies outside the province of co-operation. Does it? Nobody else who was present seemed to think so. Co-operators are generally strong for peace. And the resolution was carried amid exuberant enthusiasm. It would be an utter mistake to argue that the people who voted the resolution, labouring folk and the like, are of too humble a position to possess any means of giving practical effect to their opinion. Their work may require time. But in the long run they are in a better position to give effect to their opinion in this matter than powerful ministers of state and parliaments, or, again, international congresses composed of learned men and skilful lawyers, who meet periodically to vote cyclopædic theses. For they are in daily contact with the very classes—their own—whose votes tell in elections, the classes who are absolutely above suspicion in the matter, because they have no selfish interests to serve, and the classes whom the questions mainly concern. These people have it in their power gradually to leaven their class with their own pacific feeling, and in the end to produce a public disposition, not in one country only, but in all, which may make war impossible by a general veto.

To sum up. The International Co-operative Alliance, whose office it is to act as a link among nations, as well as a furtherer of sound co-operative practices, has had a most successful congress, and given proof of the fact that it is fulfilling its task. It has become a most valuable instrument for the spread of co-operation—for its gradual raising everywhere, however faulty it may still be in some places, up to the fulness of the Rochdale ideal. It has cost a good deal of trouble to bring it together, and develop it to its present condition. Even now an absurd clause in the Rules, which forbids it to "concern itself about religion," when what is intended obviously is that it should remain neutral in matters of religion, leaves in its composition at least one sensible gap, keeping out a considerable number of very good co-operators, who look upon co-operation as in its

most perfect form, directly akin to religion, and cannot, like their more easy-going, but equally religious, British brethren, bring themselves to treat the rule as a dead letter. If the Alliance is fully to serve its purpose, to diffuse a quickening influence throughout the world, to produce co-operation of the best sort, it is indispensable that it should be fully comprehensive. For only the complete combination of all the seven colours of the rainbow will produce the pure and white light of the sun.

It would be idle to deny that, as it has cost trouble in the making, so in its continuance the Alliance is likely to require care in warding off dangers which may become serious. Personal interests may be too strongly asserted. Evidence of this was given at the Manchester Congress when, for the sake of a little barren talk which could not possibly have resulted in any practical good, the weighty business of the recasting of the rules had to be put on one side. The Rules, adopted at a Paris Congress under circumstances most unfavourable for careful consideration, are faulty in more respects than one, and have given rise to repeated complaints, more particularly because, in view of the unwieldiness of the committee and the wide dispersion of its members, the conduct of affairs has of necessity been, in the main, committed to three Englishmen. Every one wishing the Alliance well, so one would have thought, more especially members of the central committee, would, under such circumstances, gladly have put personal crochets aside in order to help in amending the Rules so as to make them answer their purpose. However, evidently the temptation to "make a point" and bring home the useless trophy of a scalp attached to one's belt was too great for some argumentative gentlemen.

Obviously, in congresses which meet once in two or three years and have only a limited time at their disposal, the possibility of such occurrences constitutes a danger. And it is not the only one. Sectional interests may be pushed to excess, as well as personal. The Alliance has gathered rather a motley army together under its banner, with a view to assimilating its units in course of time. There has been a good deal of friction, and rivalry, and jealousy in the past, and, unless a fair balance

is kept, the old Adam may at times prove too strong for the new environment. A suggestion has actually been made, from a quarter in which strong sectional ideas prevail, in favour of forming a closer alliance among three of the component sections—a sort of "Dreibund." That would be easy enough. It might result in some temporary jubilation. But it would not do any abiding good even to those three sections. Certainly it would break up the Alliance and prevent much greater good than such "Sonderbund" could hope to accomplish. It would deprive co-operation of the most useful instrument, which labour has produced for it, for harmonizing its organizations, increasing their power, and bringing the working men's world by degrees under the sway of Rochdale principles. The main responsibility for keeping things in their proper groove may be said now to rest with British co-operators. It is they who command a majority in the Alliance, they who appoint the men who actually hold the helm. As heirs to Rochdale they are listened to with respect. Their power in the Alliance is great. Coupled with such power, of course there is responsibility. In this connexion, the ease with which they were led to vote at Manchester in support of the recognition of State-aided co-operation and of the elimination of the question of the remuneration of labour from the co-operative programme is a little ominous, however much it may have been the result of inadvertence. In private talk, every British co-operator strongly repudiates these principles. Considering what an invaluable instrument for good in the Rochdale sense the Alliance supplies, and what great amount of benefit it may be expected to produce all the world over, if kept steady on the old lines, we may well hope that British co-operators will be careful to maintain a just balance among sectional interests, so that co-operation may be made to prosper as an international force, just as it has done as a national, that its sway may be extended and its practices improved, to the gradual elevation and emancipation of the working classes and the general benefit of all.

HENRY W. WOLFF.

NOTES AND MEMORANDA.

THE TRADE UNION CONGRESS.—For the third time in its history, the Trade Union Congress met this year in London. First in 1871, when the number of members represented was 289,430 ; and again, a decade later, in 1881, when the representation had risen to 463,899. After twenty-one years' absence, the Congress found itself in the Metropolis, with nearly 500 delegates, speaking in the name of considerably over a million and a quarter (actually 1,379,184) constituents. For comparative purposes, it is necessary to bear in mind that, until 1895, trades councils sent delegates, and thus there was a good deal of duplication of representation, as the membership of many unions or branches were included in the number attributed to these councils. The Congress of 1902 has reached the high-water mark of direct membership, being nearly as large as the noisy gathering at Liverpool, in 1890, which topped the record with 1,470,191.

Under the new rule, the chairman of the Parliamentary Committee presides over the Congress, and the duty fell to Mr. W. C. Steadman, a hardworking member of the labour group of the London County Council, and ex-M.P. for Stepney. He was a distinct success in the chair, and the two experiments of the change have quite justified its adoption. The danger which was feared that the president might be under the control of the Labour Cabinet has not been realized, and it is a distinct advantage to save the Congress and the movement it stands for from the risk of having as its mouthpiece an irresponsible extremist, chosen for that very reason by a local clique. Mr. Steadman had certainly a fine body of men to preside over. They were rather crowded, and the atmosphere was anything but wholesome at times, but they stuck to their work, and not even the attractions of London proved too much for the delegates. At no period were empty seats conspicuous, though, with the difficulty of hearing and the lack of proper ventilation, there might well have been.

What doubtless accounted for the large attendance was the uncertainty which now exists as to the law of conspiracy and the legal status of trade unions. It is felt throughout the entire labour world that combination has been threatened, and the natural result is a

coming together of all sections. A common danger has made for unity. That, and not any particular resolution or speech, was the most marked feature of the Congress. So far as the actual discussion of this question was concerned, there was nothing of any special importance said or done. Perhaps the most significant statement made was the announcement that the Irish Nationalist leaders were to confer with the Parliamentary Committee in order to draw up a joint plan of campaign against the attempts now being made to swamp their organizations by the power of the purse. This is an alliance which may have far-reaching political effects. Another point worth noting was that the delegates would have none of those legal subtleties which at one time looked as though they were to be the weapon employed to defeat the capitalists. Petty evasions of the law found no favour. A simple, straightforward demand for justice and equality was the only plan approved.

Perhaps the most striking incident of the week was the condemnation of the South African War. The Parliamentary Committee's report had not any controversial reference to it, but merely described it as "one of the most remarkable wars of modern times." With this innocent allusion to the war, it was hoped to escape the angry conflicts of the past, though the words "most remarkable" might have been improved by those who had this end in view. But, in spite of official explanations and the great reluctance there is to alter such a report, and also the strong objection, especially amongst some of the unions, to open the floodgates of political passion, an amendment to insert the words, "and unjust," was carried by 591,000 to 314,000. This gives the finishing touch to the protest of the Congress against the jingoism of the last three years.

It was a foregone conclusion that the Education Bill now before the country would have short shrift, for a specially called conference of trade unionists earlier in the year had unanimously condemned it. So strong was the feeling against the Bill that the debate proper was anticipated by adding to the paragraphs referring to education in the Parliamentary Committee's report a declaration of hostility to any candidate at an election who supported the measure of the Government. The attitude of the Congress was identical with that taken up by the Co-operative Congress at Whitsuntide. Both these annual gatherings of organized workmen were strongly pro-School Board and resolutely anti-clerical.

As usual, there was a crowd of resolutions on the agenda either non-controversial or so sectional in character as to escape any criticism. There were, indeed, few items which excited anything like intense

interest, and none which could be called new. The Congress again supported the Miners' Eight Hours Bill, the opposition being confined to Northumberland. The general or universal eight hours' day by legal enactment was also carried, but it evoked a vigorous protest from the Builders' Labourers' Unions. A delegate from this body had the temerity to utter a word on behalf of individual liberty. It sounded like a cry from the far away past, and was, of course, unheeded. Still, it was useful in showing the effect indiscriminate legislation may have. What was weak in the Congress would become all-powerful in the face of arbitrary law.

The debate on compulsory arbitration was in many respects the show one of the Congress. Unfortunately, the chief speaker in favour of it marred his case by foolish extravagance, which is supposed to have detached some votes from the resolution. This is a pity, because it was desirable that the voting should represent the exact feeling of the Congress. However, the result was so decisive that the few votes—and they could only at the most be very small in number— influenced by the speech in question made no material difference. Compulsory arbitration was rejected by three to one—961,000 to 303,000. As was to be expected, the arguments of the majority were varied. With some, distrust of judges' impartiality, or rather their inability to get clear of class bias, was the dominant note; others denied the need of a legal tribunal; whilst a preference for leaving the settlement of disputes to those conversant with the details was a marked feature in some speeches. No doubt the shadow of the Taff Vale case was over the discussion, and it would not assist the promoters of the resolution. Still, it is perfectly clear that British Trade Unionism, like that of the United States, is not prepared to leave itself in the hands of the judges. This does not indicate in the least any slackening of the desire for the substitution of conciliation for strikes and lockouts. On the contrary, the motion was rejected mainly by the very men who are the most opposed to the strike policy. On the whole, it seems to me that a rational peace policy in the unions gained by the defeat of the compulsory arbitration resolution.

Labour representation formed one of the subjects of discussion, but Congress only plays second part now that it has handed it over to an outside committee, on which political bodies have representation as well as the unions. There was an attempt made to constitute the Parliamentary Committee the convener of the special conference which is to be called, but it was not successful. For weal or woe, the Congress has allowed its political work to be done for it by the Socialists, who, though only a small minority of the unions, are well

organized, and know their own minds. As a matter of fact, however, there is a purely trade union conception of labour representation taking shape, its firstfruits being the unopposed return of Mr. Shackleton for the Clitheroe Division of Lancashire. With it "independent labour" does not mean I. L. P.-ism. Take a case in point. The Ironfounders' Society has decided to run a candidate, and this is how his political position is described in the official report: "The member will be allowed a free hand in general politics so long as he votes with the labour party on matters pertaining to the welfare of trade unions." That is sectionalism with a vengeance, and would permit an Orangeman from Belfast and the strongest Home Ruler to become candidates so long as they voted right on trade union questions. It would seem as though the worldly wisdom of the National Union of Teachers, which manages to accommodate both its Tory and Liberal members, is to be flattered by imitation.

An old-standing grievance, acute with those who fail to enter its charmed circle, is the manner in which the Parliamentary Committee is elected. The would-be reformers sought to change it—one union by leaving the election in the hands of the delegates of the respective industries (whatever that meant), another suggested that all the trades should be represented in rotation, and a further one proposed to compel each member to retire every three years, with a two years' interval before re-election. But it was all in vain. The old method of election still continues. The objection to it exists, but the remedy does not, or, at all events, it is not apparent. The ugly word "corruption" was flung about, but it only served to weaken the movement for change. Every one knows that there is a regular market for barter and exchange of votes, and it is almost incredible what a value is attached to a seat on the Parliamentary Committee. Candidates for the position become opportunists, develope a marvellous degree of caution in word and deed, and allow scarcely anything to be an obstacle in their path if it can at all be removed with decency. It has become a serious question whether the game is worth the candle to the unions concerned. It is, however, quite another matter when it is sought to provide an alternative. The evil, for such it may fairly be called, may be lessened by setting up restrictions, but they would create disadvantages probably more serious. Nothing can really prevent an exchange of votes, and it must be admitted that the existing system usually produces a representative committee. Whilst this does not remove the objections urged by the weaker unions, it does undoubtedly deprive them of much of their force in the eyes of the average trade unionist, who is a prosaic utilitarian in such matters.

There appeared to be no desire to have a well-equipped central organization in London, after the fashion of the American Federation of Labour. It was proposed to increase the salary of the secretary of the Parliamentary Committee to £400 per year, for which he was to devote his whole time to his duties. This was rejected in favour of £250 per year, clear, with necessary clerical assistance. Beyond a slight improvement of salary, this effects nothing. The time for making the Congress the centre of Trade Unionism has probably passed now that there are in existence such bodies as the General Federation and the Labour Representation Committee, both offsprings of the Congress. If this is the conclusion to which the delegates came, their decision is not open to much criticism, but otherwise, it is a lame and halting one. However, the unions will be called upon to contribute £1 10s. instead of £1 per 1000 members to the Parliamentary Committee, and this may cause the whole situation to be carefully examined.

The week's proceedings had few special incidents, left no deep impressions, and brought to notice no fresh leader or strong personality. It was, indeed, impossible to escape a feeling of unreality as the procession of old familiar resolutions passed along, for the most part without any vigorous opposition to impede their course, into their usual resting-place. But this is more or less inevitable. It is only a genius who could keep a Trade Union Congress fresh every year. Still, there was much to give satisfaction to well-wishers of Trade Unionism. There was an absence of Socialistic fireworks, which were sent up in other years to please the faithful and frighten the timid. On the most momentous question—that of the legal status of the unions—there was a restraint and moderation, backed by firmness, which is a sure sign of strength. Altogether, it may be said of the Congress of 1902 that it effectively represented the predominant mood of British Trade Unionism—a determination to defend, at any cost, what it has gained. To have done that is to have succeeded.

F. MADDISON.

THE NATIONAL CO-OPERATIVE FESTIVAL, 1902.—The great annual gathering of co-operators at the Crystal Palace in connexion with the National Co-operative Festival took place in the third week of August, its usual date. The Congress at Whitsuntide is, of course, the most important assemblage of co-operators, as it is their parliament; but for recreative purposes the national festival at the Crystal Palace still holds the first place, in spite of the great progress made in the last few years by local festivals in the provinces and in Scotland.

The proceedings began on Wednesday, August 20, with the formal opening of the exhibition of co-operative productions made in co-partnership workshops. About thirty societies had stalls, and presented a great variety of exhibits. The boot-making societies were most numerously represented, and made on the whole the most tasteful show. The printing societies were also prominent, and next to them came several textile societies, two cutlery societies, two watch-making societies, and two making corsets; among other trades represented were tailoring, paints, artificial manures and oil-cakes, tinware, nails and padlocks, typewriting, and building. Besides these productive societies proper, a number of distributive societies showed plans and pictures of the houses they are building for their members, and there were also, for the first time, exhibits from some of the great Friendly Societies, which are co-operative institutions in reality, though not in name. The statistical article which appears annually in the August number of *Labour Co-partnership*, the organ of the co-partnership movement, showed that during the past year there had been substantial growth in the sales, capital, and profits of the co-partnership societies of the United Kingdom, particularly in Scotland, where the societies are few and large, and are mainly federations of working men's distributive societies. Their co-partnership character depends upon the fact that the workers in their employ are partners in the business, sharing in the profits, and also free to take shares in the capital. On the other hand, the ninety-five English societies, with sales of a little over one million pounds per annum, are mainly societies of producers working in co-partnership with other members of the working classes who have helped to provide capital, and with distributive societies which also furnish custom. These English Societies have made some progress during the year, but no great advance. It is remarkable that neither in England nor Scotland has there been any increase *in the number of societies* during the two years when material prosperity and the war occupied the public mind. There have indeed been a few new societies formed, but only enough to replace those which fail or disappear each year. In Ireland, however, the very similar movement among the small farmers has increased largely, both in the number of societies and in the volume of trade. And now that we have harder times and less excitement the co-partnership advocates look forward again to more rapid growth in Great Britain also.

The Labour Co-partnership Association, which organizes the exhibition, has made a practice of getting some prominent public man to declare it open. Last year it was a great employer of labour, Sir W. Mather, M.P., and this year a leading trade unionist, Mr. Charles

Fenwick, one of the two representatives in Parliament of the Northumberland miners. The concurrence of two such names shows well how that solution of the industrial conflict which the association offers commends itself to the most reasonable in both camps. A goodly array of trade unionist leaders appeared on the platform, and the chairman congratulated the association on this fact, remarking that such men were best able to commend the principle to the working classes. Mr. Fenwick expressed his belief that voluntary co-operation is the best form of socialism; and while repudiating the doctrine of "ca'canny," he declared for co-partnership as making it worth men's while to be efficient, and as promoting industrial peace. The discussion which followed showed that both individualists and socialists can agree in supporting co-partnership, the one party as the crown of their system, the other as a preparation for theirs.

The opening ceremony over, there followed a conference of delegates from co-operative societies and others, summoned jointly by the Co-operative Union of Great Britain and the Labour Co-partnership Association. The subject for discussion was "The Work and Training of Co-operative Employees," on which Mr. T. G. Arnold, secretary of the Woolwich Arsenal Society, read a paper. This subject has long occupied the attention of co-operators, who find that their employees do not always enter into the spirit of co-operation; but such a fact is scarcely surprising where employees, as sometimes happens, are treated as servants rather than as partners and fellow-workers.

A note of sadness was struck when it became known that the body of Robert Newton, one of the few remaining veterans of the early days of the movement, had been laid to rest on that very day. In 1858, under the influence of the Christian Socialist leaders, the Co-operative Frame-makers and Gilders Society was founded. Robert Newton, a skilful working gilder and a pupil of the Working Men's College, was one of its originators; and for thirty-three years with varying fortune he worked and fought for it, and kept it afloat, until he had sacrificed in the cause all his savings and even his house.

The chief event of Thursday was the annual meeting of the Labour Co-partnership Association. The report had a busy year's work to chronicle, but its most generally interesting feature was the change of name. The Association has been called the Labour Association during the eighteen years of its existence, but it has been found that this name did not explain itself; on the one hand, it was confused with the Free Labour Association, and, on the other, it frightened employers and many moderate people, who imagined that the "Labour

"Association" must be some extreme body acting solely in the supposed interests of manual workers. For some years, therefore, it has been a matter of consideration whether it would not be wise to choose some more explicit title; and at this meeting, after some slight objection was raised and withdrawn, the title of Labour Co-partnership Association was formally adopted. It is greatly to be hoped that this change will widen the influence of the association among employers; for while it is most desirable to increase the number of societies of working producers, and to extend the principle of co-partnership with labour in the societies established by consumers, it is evident that the great bulk of British manufacture will never become co-operative unless the great employers and the employed mutually agree to accept schemes of profit-sharing and investment. As a sequel to the change of name, the association adopted the following definition of its object: "To bring about an organization of industry based on the principle of labour co-partnership; that is to say, a system in which all engaged shall share in the profit, capital, control and responsibility. With this in view, it seeks (1) in the co-operative movement to aid by its propaganda and advice all forms of production based on the above principle, and (2) in other businesses to induce employers and employed to adopt schemes of profit-sharing and investment tending in the same direction."

Friday was very quiet, though of course the exhibition remained open. The chief event of the day was a members' meeting of the Co-operative Productive Federation, which does excellent work in uniting the societies for business purposes, as the Labour Co-partnership Association unites them for general propaganda. Hitherto the work of the federation has chiefly been concerned with exhibitions, finance, and the publication of a year-book. The difficult problem of getting the societies to co-operate among themselves for the joint-marketing of their productions, though often discussed, has so far found no solution.

Finally, with Saturday came the festival proper, when, in addition to all the sights of the Palace itself, there were many extra attractions specially arranged for the co-operators. These included sports, choir singing, acting, band contests, gymnastics, and an open-air demonstration with speeches on co-operation in general, and more particularly on its latest development, the "Garden City" project. The day was a great success. Two years ago the railway companies seriously raised the fares for excursions, which prevented many from attending, and hit the festival hard; but this year careful organization had pretty well ensured a large attendance, and, further, luckily for the Festival

Society, His Majesty the Shah of Persia decided to attend the Palace on the very day. The result was that over 62,000 passed the turnstiles, an increase of 50 per cent. upon any previous occasion.

These festivals have a great value, not only as bringing together co-operators from all parts of the country, but as showing co-operation in its brightest aspect to masses of people who have still to learn its lesson.

ANEURIN WILLIAMS.

THE HOUSING PROBLEM AND THE MUNICIPALITY.—In a lecture with this title, delivered on December 9, 1901, Professor Smart advocates a certain limited acceptance by municipalities of the function of providing houses for the people at less than cost price. After pointing out that the supply of houses by a corporation is not parallel to its action in furnishing water, gas, and tram-cars, inasmuch as the benefit in the former case is a sectional benefit, and does not directly cater for the whole population, he nevertheless sees reasons for allowing this extension of municipal action on account of the indirect benefit which it would confer on the entire community. "It is," he says, "a measure of public safety and public progress, like poor law relief and free education. We are rubbing shoulders with the victims of bad houses every day. They are spitting on our cars ; charing in our offices ; serving in our shops ; waiting on us in restaurants ; milking cows for us ; sewing white seam in our houses. We are buying goods made in dens of fever or with infected hands. We are breathing the air these houses pollute. For the disease, drunkenness and crime engendered by them, we pay workhouse rates, hospital subscriptions, police rates, expenses of justice. And we suffer in our labour supply, for good workers cannot be born and bred there."

The next question is, for whom to build ? There are, says Professor Smart, two classes, the "decent poor" and the "dissolute poor." "The first step in the remedy is clear recognition that there are these two classes. The second step in the remedy is to segregate the two. The necessity of segregation is acknowledged by all parties. But there are two ways of segregating. The corporation way is to do it by building houses for the decent poor, and planting them there. The other way is to build for the dissolute poor, and make it impossible for them to get a footing anywhere else." After pointing out that the attempt to build houses for the decent poor would involve the corporation in a task quite beyond their strength, would not remove the plague-spot of the slums, and would be tantamount to a rate in aid of wages, having the effect of artificially accelerating the exodus to

the towns, Dr. Smart explains the advantages of the alternative proposal. He wishes to weed the most undesirable tenants out of the slums by vigorously putting in force sanitary laws and preventing overcrowding. At present these cannot be enforced because there is nowhere for the ejected to go. Let the corporation house them, and that difficulty will cease. "The construction of such houses should be based on the well-known destructive habits of this class. They should be houses which the tenants cannot spoil—four bare walls, say, of concrete, with an indestructible set-in fire-place, and an indestructible bed-frame." For admission to these "barracks" no questions are to be asked. They are therefore the only houses which the ejected will have to turn to. Still, there are to be two conditions to which tenants must conform—"they must pay the weekly rent, and they must conduct themselves so that life may not be unbearable to their neighbours. These, I think, are possible conditions. If they will not conform, out they go, without mercy. The city is no place for them."

Such is Professor Smart's proposal. In a lecture delivered on February 23, 1902, he pleaded for the appointment of a Municipal Commission to investigate the question of Housing, and read a letter received from Mr. Balfour warmly approving of the suggestion.

There is no doubt that Dr. Smart's scheme is an interesting and a well-considered one. There are one or two points which, perhaps from the necessities of space, are not made sufficiently clear.

(1) What is to become of the barrack tenants if they are stubbornly refractory? The answer is apparently, "Out they go. The city is no place for them." Still, they will not vanish into thin air, as those disagreeable personages, Macbeth's witches, were good enough to do. They will probably still infest the city, and still be a seed-bed of evil, "in which case," as Professor Smart says of a rival plan, "it may be discovered that Glasgow has cleansed its own house as Edinburgh used to do by throwing the slops out of the window, or as we used to clean the Clyde, by emptying the mud on the shores of Dunoon." Perhaps Professor Smart would give them up as incurable. But does not this come very nearly to being another plan for housing the "decent poor" with merely a lower standard of "decency"?

(2) The proposed barracks are to be let at less than cost price, say at 1*s.* a room, the price which would yield remuneration being 1*s.* 6*d.* Now, the essence of the scheme is that they shall not attract the decent poor, therefore the houses must be worse in quality than the worst houses built by private enterprise for the "decent." Such houses, then, would demand a rent of something like 2*s.* a week. That is,

double the rent at which the "dissolute" gets his room. Would not, then, a large number of the decent apply for rooms in the barracks, in order to save 1s. a week, or half their rent? And this would have one of two effects. Either the corporation would be compelled to select again (and it would be curious if it selected for its favour the worst), in which case "what about the unselected?" as Dr. Smart says. They would be always with us. Or the corporation would have to build houses, not merely for the "dissolute poor," but for all the "decent" to whom 1s. a week was a consideration. And this might be a large undertaking, and would partake in its measure of all the drawbacks which Professor Smart attributes to the Corporation scheme.

LAWRENCE PHILLIPS.

A NOTTINGHAMSHIRE VILLAGE INDUSTRY.—In a number of villages round Nottingham, hosiery is manufactured by hand framework knitters—locally called "stockingers." The knitting-frame was invented by the Rev. William Lee, Vicar of Calverton, in 1589; but, like many inventors, he gained little pecuniary profit from his invention. After his death, in 1610, workmen whom he had taught carried on the industry in Nottinghamshire, and also at Spitalfields. The machine was improved as time went on, and from it all the various steam-power hosiery machines were developed. Their advent proved disastrous to the hand framework knitters, and in many villages in Nottinghamshire, where large numbers plied their trade forty or fifty years ago, there is none left now. Still, the industry has not been altogether killed, for the steam-power frames cannot produce the very finest work, and they also inevitably stretch the wool or merino in the process of manufacture, so that the garments have not the same elasticity of fit, and do not wear so well. Machinery cannot handle these materials with the same delicacy of touch as the human hand.

The knitters usually set up the machines in their own houses, though in some cases several work together in large rooms away from their homes. Women also help by winding the wool, and some of them work a frame themselves. The material is brought by middlemen—locally called "bagmen"—from wholesale firms of hosiery manufacturers in Nottingham, and distributed among the knitters to be made into stockings or pants. These are then sent into Nottingham and sold to the wholesale firm, which pays according to a fixed scale. A Union has existed among the hand framework knitters of Nottinghamshire for many years, and in 1898 it succeeded in obtaining a rise of about 9 per cent. in the price of their work. This success

gave the Union new popularity, and now twelve hundred, or fully threequarters of the knitters in the county, have joined it. This rush of new members seems to be due, not so much to gratitude to the Union, as to the fear that without such combination the rise obtained would be lost again. The Union does not attempt to regulate the hours of labour. The men work as much or as little as they choose—often ten or more hours a day in a busy time. The wages vary considerably in accordance with the fineness of the work, or with the fluctuations of the trade. It is difficult to state the average wage, but perhaps it would be about £1 a week, rather less than more.

The industry has recently derived considerable benefit from the fact that the War Office has given large orders for hand-made military hosiery ; and, in consequence, some knitters who had taken up general labouring work through the stoppage of employment have returned to their trade. In this connexion the Union has been successful in bringing pressure to bear on the War Office, so as to secure a continuance of such orders ; and, therefore, this village industry will probably be more prosperous in the future than it has been for some years past. Yet it is only one section of the knitters who can do the coarse work required for the army ; those who have been used to handling finer materials cannot adapt themselves to the different machines used for the coarse work.

The two chief desiderata for the industry as a whole are the abolition of the middlemen, and some method for marking genuinely hand-frame made hosiery. Otherwise the public have no guarantee that steam-power made goods are not palmed off upon them as hand-made by unscrupulous salesmen. It is to be hoped that the Union may achieve both these ends.

W. G. CRUFT.

THE GARDEN CITY ASSOCIATION.—Since the publication of Mr. Howard's book on this subject, an association has been formed to investigate the possibility of the formation of a Garden City. A considerable amount of money has been subscribed, on the understanding that shareholders shall be entitled to shares in the city company, if formed, their dividends being limited to 5 per cent., and the citizens of the future city having the collective right to purchase the company after seven years. The main object aimed at by the promoters is philanthropic. In existing cities there is an absence of general plan ; the physique, morals, and social efficiency of the inhabitants are injured by overcrowding and lack of air and sunlight ; and rates are high and improvements scanty because the unearned

increment in ground values goes to private landlords. The Garden City would be founded upon agricultural land, bought cheap, and to the extent of three square miles. The city would retain the ownership of the land. This would mean that, after a few years, there would be no local rates, while the city would make its own canals, branch railway, tramways, electricity, etc., and be the owner of increasingly valuable collective property. The estate would be carefully planned, all houses possessing gardens, and a belt of agricultural land surrounding the town. Manufacturers would be encouraged to take land on lease from the city, with security for personal improvements. The city would hold some thirty thousand people, and efforts would be made to attract industries of many sorts, so that it would have all the variety and life of existing cities, without their overcrowding and distance from the country. The scheme is practicable, and is supported both by philanthropists and by business men. The association is already beginning to make inquiries and collect information, which should be very useful to progressive municipalities, if they can be persuaded to erect model suburbs on their borders.

A most successful meeting was held in London on June 2 by friends and members of the association. The chairman was Earl Grey, and the speakers included the Bishop of Hereford, Sir William Richmond, George Harwood, M.P., W. H. Lever, J. P. Ritzema, and others. Mr. Lever allowed that there were practical difficulties to be met, but he thought that none of these were insuperable. It has been suggested that manufacturers would be able to hire efficient workmen at low wages, because the gardens attached to every house would tend to lessen the weekly food-bill of the artisan. This idea, and also that of profit-sharing, would be opposed by the Trade Unions. Again, if the inhabitants bought the city from the company when it had become successful, they might become the privileged inheritors of the unearned increment. This, however, might be prevented by earmarking the same for the founding of new industrial villages, as is being done with Mr. Cadbury's estate at Bournville. Such objections, of course, can readily be used in favour of the principle of Land Nationalization; but the intense conservatism of the English people is at present so powerful that it seems wiser to agitate for small and piecemeal improvements rather than to strive to move the hands that move the State.

J. A. FALLOWS.

THE COST OF WARFARE.—Dr. Atkinson's latest utterances¹ on the subject of the cost of American "imperialism" are those of a sworn foe. Hence we may expect head-lines, notes of exclamation, and not a little tall talk. "The Nemesis of the rule of Blood and Iron, of Revanche, of Junkerism and Militarism, hangs like a pall over continental Europe, and the words 'Disarm or Starve' are written upon the battlements on land and on the battle-ships upon the sea"—this sentence will serve as a sample of the author's literary manner. Taking his work on its scientific side, we find him more continent. His object being to bring home to the individual citizen of the United States the cost to *himself*—the cost per head of the population (if that be the same thing)—of Cuba and the Philippines, he draws up his estimate coolly and fairly by methods familiar to the expert accountant. The annual "waste of war" (an expression, however, which, from a purely economic point of view, needs qualification, as we see if we reflect on the improvement of harbours, the training of seamen, etc., incidentally brought about by war to the advantage of future commerce) is shown to have annually amounted during the last five years to \$1.84 "per pocket."

Meanwhile, there is no attempt made to conceal the fact that to the prosperous inhabitant of the States this odd dollar and a fraction is a mere flea-bite. The accompanying "study in smalls," *i.e.* particular items of expenditure, proves him able to afford an annual liquor bill of \$17, and a tobacco bill of \$6 per head. In fact, he spends on smoke almost precisely the same sum as on the whole work of government administration, military and naval expenditure included. The reader, then, may be recommended to attend to Dr. Atkinson's facts and figures, however irrelevant he may think the use to which they are put. This use is political, not economic, for all that the author urges to the contrary. Thus he writes: "This is the economic aspect of war—justifiable for defensive purposes; criminal, brutal and barbarous when waged for offensive purposes or for the expansion of trade by conquest or colonization." But surely this is not so. "Criminal, brutal and barbarous" are moral terms; whereas, if war causes trade to expand by whatsoever means, moral or immoral, it is, in its economic aspect, simply productive industry, or, if it does not, simply

¹ *The Cost of War and Warfare, from 1898 to 1902 inclusive, Seven Hundred Million Dollars.* Statement compiled, computed and proved from the Official Reports of the Government. By Edward Atkinson, LL.D., Ph.D. [Brookline, Mass., U.S.A., July 4, 1902.]

Social Bacteria and Economic Microbes, Wholesome and Noxious: A Study in Smalls. By the same Author. [Reprinted from the *Popular Science Monthly*, August, 1902.]

unproductive. Such trite distinctions as these are worth emphasizing so long as peace-advocates—and, for the matter of that, war-advocates as well—continue to shout, “In the name of God and of Political Economy,” as if the two were one and the same thing.

R. R. MARETT.

THE REPORT OF THE OXFORD HOUSE IN BETHNAL GREEN FOR 1901.—This record of a year's work is interesting—interesting and encouraging. There have been difficulties ; and there are difficulties still. But there is room for congratulation. The war is over. And with it is over also the feverish pressure of military ideas. We may hope now that we shall return, not indeed to the same life as before—that is perhaps not even desirable—but to more normal conditions. It was not to be expected that Oxford House, or the sentiment which inspires and sustains it, would escape influences which have gone through the nation. Nor has it. The anxiety as to the supply of residents, which has made itself felt during the past two years, and of which we catch an echo in this Report, is itself evidence of that. That supply depends, after all, not merely on the number of men with available leisure, but, even more, on the atmosphere in which they find themselves—on the degree, in fact, to which ideals of social betterment, and an interest in social problems, permeate society ; and for three years now the tone of society has been, in the main, and inevitably, military, and its interests over sea. But that is done with ; and the larger appreciation of imperial responsibilities which will be its legacy, so far from dulling, will, we must hope, quicken our sensitiveness to the claims of ignorance and poverty at home. And, indeed, it is not without significance that the close of the war coincides with the return of the House to its full complement of residents.

To turn to the Report more in detail. The most notable event in the history of the year has been the resignation of the Head. We can pay no better compliment to the House, or to its Head, than by recognizing that the time has gone by when such an event need be regarded with dismay. It is perhaps the chief distinction of the work done by the Bishop of London and Mr. Wilson that by it they have come to be, themselves, no longer indispensable. But while no one any longer regards the stability of the House as endangered because the personnel of its executive changes, no one would minimize the loss which it suffers in the resignation of Mr. Wilson. He had some qualities which no other Head has had, and it would be difficult to exaggerate the value of the work that he has done at Bethnal Green. It was currently reported that Mr. Wilson himself believed that a

younger man could carry out the duties of the office of Head more successfully. Without denying that there may be directions in which the work comes more naturally to a young man, I still cannot think that in Oxford, where the difference in age might be supposed to tell, Mr. Wilson suffered in any way from being no longer "quite young." Indeed, the most effective address which I have heard at any college meeting was one given, some two years ago, by Mr. Wilson, to an entirely undergraduate audience. But, if Oxford saw Mr. Wilson's departure with unfeigned regret, it welcomed Mr. Woolcombe not the less heartily. Mr. Woolcombe possesses advantages in the way of characteristic experience, at once of East London and of the House, which none of his predecessors in the office had had when they were elected. It is encouraging for him, and a good omen, that the close of his first year sees the House again full.

And with the change of Head has come another change—more important, because a change, not of persons, but of policy. The Rectory of Bethnal Green is no longer associated with the Headship of the House. It will be remembered that when the present Bishop of London accepted the living, to be held with the Headship, there were those who viewed the scheme with distrust; and it would seem that, on the whole, the experience of the past few years is against the union of the two offices. It may be useful, to the House and its residents, to be in close contact with a parish; but that advantage may be secured in other ways. The Head of Oxford House is not after all, as such, a parish priest; and the addition of parochial responsibilities and parochial anxieties to the already sufficient worries of the Headship is a serious matter. It is, surely, of the essence of the House to be extra-parochial. Were the House a theological college there would be more to be said for its official connexion with a parish. But it is not that; nor does the training of candidates for Holy Orders, except indirectly and to a limited extent, find a place among its objects.

It is satisfactory in this connexion to notice that the number of lay residents is on the increase. Mr. Woolcombe follows Mr. Wilson in his anxiety to secure the continuity of this lay element. In the interests alike of Oxford and of the work in East London it is plainly to be wished that the "settlement" movement should be as catholic in its appeal as possible; and it would be dangerous were the House to become—or even to get the credit of becoming—too distinctively clerical. There are plenty of Oxford men capable of doing first-rate work in and for the House who yet would be, however unreasonably, a little alarmed at the idea of finding themselves in a "clergy school." More than that, it is only among the lay workers that we can hope

to find men who are willing, or able, to devote more than a year to the service of the House. A candidate for Holy Orders stays his year—but seldom more than that. To be an Eyre or a Champernowne you must be a layman. Yet, as any one familiar with its history knows, it is in large measure to the continuous support of laymen, such as Mr. Douglas Eyre or Mr. Champernowne among residents, Mr. Bolton or Mr. Bailward among non-residents, that the House owes its stability. They bring to the work a breadth of view and a continuity of experience which it would be foolish to expect of any one whose connexion with East London begins and ends with the year.

There are other points of interest in the Report. But of these I can here refer to only two, which concern respectively the Bexhill Convalescent Home and the Sunday afternoon lectures.

As regards the first, it has been decided to confine the Home to phthisis cases. This is an experiment of which it will be interesting to see the result. That any agency which makes for the health of East London and the limiting of the scourge of consumption is to be welcomed, and that the Bexhill Home has done, and will do, much in that direction, no one can question. Perhaps, however, it may be more open to question whether the maintenance of a Convalescent Home, at the seaside, falls quite strictly within the scope of an institution of which the objects are defined as "to provide a centre for religious, social, and educational work among the poor of East London." It becomes so increasingly difficult to know where to "draw the line," and so increasingly necessary to draw it somewhere, that one is tempted to suggest the simple geographical line (the limits of East London itself) as the most obvious and the most workable. However, that may be only a superficial interpretation of the problem and its conditions. Anyhow, and in the mean time, the thing is doing good.

As regards the second—the Sunday lectures—the discussion which has hitherto, apparently, followed the lecture is to be abandoned, and a short service substituted. That is a difficult—indeed a delicate—question; and one on which the opinion of no outsider is of any value as against the experience of those upon the spot. It is difficult, however, not to feel a certain anxiety as to the effect of the change. To "develope among the intelligent men of the neighbourhood work of a directly religious character"¹ is an object of pre-eminent importance, to which much may be sacrificed. Whether that object will be most effectually secured in the way suggested is less clear. The lectures have been immensely successful. To alter their conditions by making

¹ *Report*, p. 19.

a religious service part of them may, after all, seriously affect their value as an educational influence without securing a corresponding advantage on the devotional side. The authorities of the House will have thought this out—one knows that very well—and they have a comprehensive experience to guide them. And yet, when all is said, one's anxiety is not wholly removed.

I have referred to one or two points, which seemed significant. There is much more that can be gathered only from a reading of the Report itself. The whole story is an interesting record of a bit of living social work, of the value of which some idea can be gained from merely looking through the reports of the clubs and societies through which that work organizes itself, but which can be adequately appreciated only by those who have been there, and seen it as it is.

F. J. WYLIE.

SOME EXPERIENCES IN SOUTH LONDON.—There are two kindred spirits, which like a filmy vapour pervade the moods of men—the one a bright sunny haze, the other a bluish mist, draping the corners of reality: Optimist is the name of the first, and we call the second Pessimist; but he disowns the title, and claims to be "Sober Sense" or "Unbiased Vision," saying that his blue-grey colour is no fog, but naked truth like the deep of the sky. And many will allow that his words are just: "You may be right," they say; "you may be our best guide in the wide spaces of the world; *but there is no room for you in South London.*"

No; South London, which has so little room for air, for play, for healthy growth, has not an inch to spare for gloom. Whatever else its workers may let enter into their lives, they cannot admit anything that clogs the wheels. Criticism, and that of the sharpest, they may welcome and must practise; they may wholesomely compare the scanty output of the current year with the gay prospectus of five years earlier; but they cannot spare time, strength, or courage to quarrel with their conditions. When evening concerts, in the close neighbourhood of their settlements, are prolonged till three or four o'clock on Sunday or Monday mornings, they must not count the scanty hours of sleep that remain, but must seize the opportunity for noticing what songs are still in vogue, and from how few notes a "vamp" for those songs can be constructed. When their homely meals are watched through the window-blind with the pertinacity of an up-country Chinee, to interjections of "Give us a bit, missis,"—"Wait till I come,"—"They ain't got no pudding to-day!"—they must refrain from other defence than the chaff of the country; and even

when a contribution to the feast, in the shape of a herring or two, flies through the window and narrowly shaves their plates, they must curb disgust or exorcise it by laughter.

Laughter in Camberwell is loud, but it is not bad. It shocks the ear more than the moral sense. It is never, I think, used as chorus to acts of cruelty, and is often the expression of a rough-and-ready morality.

“Miss—miss,—’e was going to drown ’isself, ’e was—’e wanted to drown ’isself in the canal—’e was going to throw ’isself into the Grand Surrey canal,”—peals of laughter.

“Miss” says as little as possible, so as to provoke narration.

“E lost ten shillings in one night—’e wanted to drown ’isself,”—peals again. “E was playin’ Banker, an’ ’e losted ten shillings—’e’s a gambler.”

At this the victim shook off his hang-dog dejection and fired up. “E’s a gambler ’isself, miss,” he growls; “you are—yes, you are; you was playin’ cards at that man’s ’ouse; ’e plays all Saturday night, miss; ’e goes on till daylight Sunday morning.”

“Miss” looks interrogation. The accused, an engineer’s labourer of sixteen, with the jolly face of a comic-opera sailor, bites his lip and attempts a lame defence.

“Where do you play?” she asks in a neutral tone.

“Down Neate Street,” is the answer.

“Well, but where do you go and sit up all night to play?” she works round, after more flying accusations and retorts from the other boys.

“Oh, at some man’s ’ouse,” is all that can be got; and two or three more are loudly accused of gambling, and defend themselves with equal vigour—

“I don’t! I don’t do it now! I’ve left it off—I’ve turned over a new leaf.”

“Yah, when did yer turn over your new leaf—was it las’ night?”

“Well, I ’ave; never mind, I ’ave—I’ve give it up.”

“No more for me—not any more of it for me, miss.”

So the dropping-shots of denials follow each other, emphatic with the smart of experience.

Who are these lads? A tile-cutter, a tin-cutter at Pink’s jam factory, a stableman, a budding coster, a bricklayer’s labourer, a paper-seller—this last the one who attempted suicide, and who in his prosperous moments hopes to set up in business some day as a bookmaker, “like the man wot makes such a lot of money at Camberwell Green.” One, a cellarer, was too good for the party, and left their club to join a

Roman Catholic brigade ; one, a printer's labourer, is down on his luck, and has formed an amateur club at the street corner, free from the subscription of 1d. a week ; one, who has tried most ways of living in and out of work, including the militia, is working fourteen hours a day at a greengrocer's, where his jolly face and Irish gag make him as useful as a cheap-jack : all belong to the great horde of camp-followers hanging on to the army of organized labour, and are below the level from which efforts for improvement take their start.

They have been taught in the admirable board schools with which South London abounds ; have left the first day compulsory attendance ceased, and, avoiding continuation classes, have gone in at once for unskilled labour at a high wage ; at eighteen they are without a trade, too old (in the judgment of their world, at any rate) to learn one, and face to face with a future which combines the evils of too-much and too-little.

"Give me neither poverty nor riches" is becoming more and more the desire of cultured people, and it is seldom that they are thrown into conditions where the rub of each extreme is felt ; yet English girls who follow their soldier-husbands to the far East have known what it is to be forced into the gaieties of garrison life, while absolutely without a roof to shelter under ; to drive to race-meetings and dance at Government House, and be thankful for the lease of a native policeman's bungalow. Such rare ill-luck may make the comfortable classes realize the ordinary life of Camberwell ; too many pennies for winkles, ices, cherries off the stalls—for "the Cant," the Star, and the Surrey ; too few shillings to procure a healthy lodgment, or give elbow-room for a family of more than five.

Is there no way of getting at these fellows ? Where they suspect religious exhortation they are shy. Nothing could be more decisive than the air with which they settled down to listen to a few words apropos of the small-pox scare. "The only thing," said the speaker, "is to be *prepared*." Instantly a look of sickly boredom overspread their faces, as who should say, "Well, we've known him these two years, and he never preached to us—but he's got a tract up his sleeve after all : of course he's a parson, and you couldn't expect no other." The speaker saw and interpreted the look, and explained that "preparation" stood for "re-vaccination." Instant clearing up and fair weather, followed by a spirited discussion of lymph, loss of work, and amputated arms, from the standpoint of *The People* or *The Weekly Times*.

One way has been effectual in getting these unskilled labourers, at a somewhat later age, to save ; they have been wheedled into the local

Slate Club or Loan Society. A Slate Club admits the vicious principle of a share-out at Christmas ; a Loan Club has the curious rule that members are fined for not borrowing. Counsels of imperfection both ; but they are the rules which prevail in societies run at the public-house by the working-men ; and if these are to be captured, the same practices must for a time be adopted. It is no use to spread a net for warblers with the mesh that would catch thrushes. And those who are willing to see what the labourers of north Camberwell can attain to, should look in when these clubs hold their social gathering.

"Who are these men?" asked "Miss" as she came in fresh from an evening spent with their loutish sons, and noticed the frock coats, dazzling collars, and smooth bright faces of the guests. "Ah, well, you see it is early in the week," was the president's reply, "and the clothes haven't gone to the pawn-shop yet. Besides, it's the men's own show, and they have set their pride to make the best of it."

Mere saving is a poor thing to regard as the threshold of virtue ; and yet I think that saving, in so far as it keeps a man from cadging and sponging on others, is a primary virtue to the conscience of these lads. But, that they are not without more attractive virtues, one last stroke in this rough sketch of them will show.

It was the evening of Ascension Day—also their club-night ; but all available workers were gathered into the ark of the Mission Hall. The regular leader was away, and a substitute had failed to turn up. The lads waited in cheery impatience for half an hour ; then sent a deputation to ask if a chance visitor, who had once or twice played draughts with them, would "take the club." The young lady (not much over her majority) went round ; found the local brass band, turned out of their quarters by the evening service, in possession of the boys' room ; led them up-stairs to the men's club-room, and had to mount guard there over a most attractive but forbidden billiard-table. Many were the burlesque remonstrances she had to deal with, but not a shadow of insubordination, nor did the boys' chivalry fail throughout the evening, though they were cut off from their usual bagatelle, music, gymnastics, and boxing, and limited almost to the programme of Sheridan's heroine, who was "to play at all-fours on a drum-head."

What does all this lead up to? Ah! a real life story has no climax. In the words of that exquisite study of a poor man's life, *Mon Frère Yves*, "Les histoires de la vie devraient pouvoir être arrêtées à volonté comme celles des livres."

THEODORA NUNNS.

LEGISLATION, PARLIAMENTARY INQUIRIES,
AND OFFICIAL RETURNS.

THE publication of the *Census of England and Wales*, 1901, has been continued by the issue of the *County of Stafford* (Cd. 1125, fol., 110 pp., 1s. 4d.), the *County of Durham* (Cd. 1147, fol., 93 pp., 1s. 2d.), the *County of Essex* (Cd. 1148, fol., 97 pp., 1s. 2d.), the *County of Kent* (Cd. 1171, fol., 107 pp., 1s. 3d.), and the *County of Warwick* (Cd. 1175, fol., 84 pp., 1s. 1d.). The following table gives the population of these counties in 1801 and 1901 (within their ancient limits), and the increment added in each of the intervening decades.

	Stafford.	Durham.	Essex.	Kent.	Warwick.
1801	242,693	149,384	227,682	258,973	206,798
1801-11	+ 51,847	+ 15,909	+ 24,791	+ 47,377	+ 22,108
1811-21	+ 51,432	+ 28,218	+ 36,951	+ 48,402	+ 45,576
1821-31	+ 63,508	+ 45,745	+ 28,083	+ 44,495	+ 62,163
1831-41	+ 99,992	+ 68,707	+ 27,472	+ 48,511	+ 65,058
1841-51	+ 98,244	+ 83,034	+ 24,339	+ 38,013	+ 73,310
1851-61	+ 138,227	+ 117,659	+ 35,516	+ 60,562	+ 86,842
1861-71	+ 111,383	+ 176,433	+ 61,602	+ 84,266	+ 72,334
1871-81	+ 122,683	+ 182,487	+ 109,998	+ 79,649	+ 108,150
1881-91	+ 102,415	+ 148,878	+ 209,011	+ 97,021	+ 67,733
1891-1901	+ 151,082	+ 170,907	+ 300,326	+ 128,586	+ 92,763
Total, 1901	1,234,506	1,187,361	1,085,771	935,855	897,835

Kent, it will be observed, which is now fourth in order of magnitude, had the largest population at the beginning of the century, while Durham, which had by far the smallest population at the beginning of the century, has risen to the second place. Essex, which had the smallest increments till 1871, has had much the largest in the last two decades, and promises to pass Durham, and possibly Staffordshire, before the census of 1911. All the five counties except Warwickshire increased during the last decade at a more rapid rate than the whole of England and Wales, the percentages being for Warwick 11.5, Stafford 13.9, Kent 15.9, Durham 16.8, and Essex 38.2. The enormous percentage for Essex is, of course, due to the fact that the growth of London pays no attention to the irregular boundary inherited by the

London County Council from the Metropolitan Board of Works. The south-western corner of Essex included in the West Ham Union, containing less than 19,000 acres out of the million in the whole county, is inhabited by more than half the whole population. Of the increase in the last decade, 215,262 was in this little area, and 45,442 in the Romford Union immediately beyond it, leaving only about 40,000 increase, of which 17,210 is in or about Southend, for the rest of the county. In the other counties the increase is more widely distributed. In Durham, Gateshead accounts for a quarter of the whole, but the rest is distributed between the seaports and the mining districts. In Staffordshire, the Potteries and Burton get their share, as well as the Black Country. In Kent, the London district only gets a third of the whole increase, most of the rest being distributed round the coast. Even in Warwickshire, where the Birmingham district gets a good deal more than half the total increase, Coventry has 12,000 increase, and the north-western colliery district a considerable amount. Rugby, which is becoming a kind of headquarters for building contractors, as well as the seat of electrical works, has risen from 11,262 to 16,820 : Warwick, Leamington, and Stratford-on-Avon are stationary.

In Essex, no less than 170,000 of the increase in the last decade is due to the surplus of immigration into the county. Kent has gained 35,000 by immigration, but Warwickshire has lost a trifling amount, Durham about 12,000, and Staffordshire 35,000. Natality seems to be much lower in the southern than in the northern counties, the ten years' births having been about 408,000 in Staffordshire, 395,000 in Durham, 275,000 in Essex, 268,000 in Warwickshire, and only 228,000 in Kent. This fact is also brought out by the statistics of ages. Durham has 159,908 children under five, Staffordshire 158,600, Warwickshire 111,020, while Essex has only 108,878, and Kent only 102,080.

What are the occupations of the additional persons? Looking at the comparative tables in the introductions, we find that in Staffordshire and Warwickshire taken together the metal, machine, and implement class has gone up from 120,000 to 154,000, the coal and shale miners from about 49,000 to 61,000. The "brick, earthenware, china and porcelain manufacture" class in Staffordshire has only risen from 29,239 to 32,720. The cycle-makers in Warwickshire have gone up from 7000 to 14,000. In Durham the coal-miners have risen from about 81,000 to about 99,000, the metal, machine, and implement class from about 46,000 to about 56,000, and the ship-building class from about 19,500 to 28,000. In all five counties there are large increases in the building trades. In none of them has the large class of female

domestic servants increased nearly as fast as the total population. In Staffordshire, Durham, and Warwickshire, it has absolutely decreased 8·4, 10·7, and 3·6 per cent., while in Essex and Kent it has only increased 11·3 and 4·2 per cent.

In Staffordshire, where the persons in tenements of less than five rooms living closer than at the rate of two to a room has fallen in the ten years from 111,329 to 84,297, in Warwickshire, where it has fallen from 93,707 to 72,953, and in Kent, where it has fallen from 24,834 to 19,535, the diminution in overcrowding indicated by the tenement returns is as striking as in the counties already dealt with. In Durham, however, a county in which the standard of housing is notoriously low, we find an increase from the large figure of 346,902 to the still larger one of 351,047, and in Essex an increase from 44,456 to 46,789. Analysing the increase in Essex, we find it to be the joint result of an increase from 18,779 to 24,779 in the borough of West Ham, and a decrease of from 25,687 to 22,010 in the rest of the county. In Durham the increase of 4145 is compounded of an increase of 14,501 in the persons who live over two but less than three to a room, and a decrease of 10,356 in the persons who live three and over three to a room. Thus it appears that in Durham there is a considerable improvement, if we allow, as we ought, that four persons in one room indicate more overcrowding than five persons in two rooms, a consideration which is neglected in the rough method of measuring merely by number of persons living closer than two to a room.

The Labour Department has issued its *Abstract of Labour Statistics for 1900-1* (Cd. 1124, 8vo, 240 pp., 11½d.), and its *Report on Changes in Rates of Wages and Hours of Labour for 1901* (Cd. 1204, 8vo, 166 pp., 8½d.). The second of these shows that the century opened, as was to be expected after the inflation of the previous years, with a reduction of wages. According to the department's estimate, the weekly wages bill—supposing no change to have taken place in the numbers or proportions of persons employed in different grades of labour, and supposing only ordinary time to be worked—rose £45,000 in 1897, and £95,114, £114,656 and £214,771 in the following years, but fell £74,423 in 1901. The fall was confined to the quarrying, mining, metal, engineering, and shipbuilding occupations, there being some small increases in other trades. Changes in wages took place under every known sliding scale, the number of persons affected by these changes being 191,205, while 507,355 persons were affected by changes arranged by the conciliation boards, joint committees, and arbitration, and 233,566 by changes made in the old-fashioned and simple methods. The reductions in hours of labour were smaller than

in any year since 1895, only 28,690 persons securing a decrease. The total reductions reported in nine years amount to less than ten minutes a week per head of the persons employed. A curious fact, with some relation to the relative improvement in housing in England and Scotland, is that wages in the building trades in Scotland continue falling, while wages in the building trade in England continue rising. Is it that the Scotch do not want houses, or that Scotch building wages have been too high to allow them to get them?

EDWIN CANNAN.

REVIEWS.

PHILOSOPHY AND LIFE, and other Essays. By J. H. MUIRHEAD, M.A., Professor of Mental and Moral Philosophy in the University of Birmingham. [274 pp. Crown 8vo. 4s. 6d. Sonnenschein. London, 1902.]

The lectures and essays which Professor Muirhead has gathered together under the title of *Philosophy and Life* belong for the most part to the character of "exoteric discourses," and it is these rather than the more technical papers on logical doctrine that directly concern the readers of this *Review*. The first paper (which gives the title to the series) has a somewhat pathetic interest, as it seems to have been designed, in the first instance, to meet an objection to the proposed London School of Ethics and Social Philosophy—namely, "that a school of philosophy had no definite relation to life"—for the school has been less fortunate than the lecture in surviving the objection. The truth is that the proposed school, in following the analogy of the School of Economics, committed itself to an opposite "abstraction," and an abstraction in which it was much more difficult to promote or sustain interest; or, at any rate, an abstraction which it was more difficult to form into a "curriculum." The suggestion was that the School of Economics fell short of the wholeness of view demanded by philosophy: but this defect could hardly be made good by founding a school in the point of view neglected; a protest against "soulless abstractions" only ended, it would seem, in severing "soul" from body. Professor Muirhead explains that his interest in the foundation of a school of ethics and social philosophy arose out of a conviction, forced upon him by a course of lectures he had been preparing upon "Work and Wages," that "at every point our social problems open out upon ethical problems, and no one can deal with them satisfactorily who 'hath not deeply meditated upon the human mind and upon the *summum bonum*.'"

But does not this statement itself suggest that you must not only have "a way of looking at things," but also that you must have things to look at? Philosophy stands no doubt for comprehensiveness of

view, for "seeing things together;" but the institution of a school or a society for seeing things as a whole is likely to end, not in permeating life with philosophy, but in substituting philosophy for life, or, as Professor Muirhead puts it, in seeing the whole without seeing the parts. A protest against half-truths and one-sided ideas in current politics and economics is hardly equivalent to a demonstration that a study of philosophy is the remedy. If philosophy is "really only a particularly determined attempt to follow out the path of knowledge or experience that any of us happens to have chosen for himself," it ceases to have any *locus standi* as a special or distinctive discipline; nor do we find in Professor Muirhead's excellent treatment of practical problems, such as Temperance and Poor-Law Relief, any new method or any new light directly or specially derived from systematic philosophy. Professor Muirhead harps upon the distinction between abstract and concrete thinking, and suggests that it is the office of philosophy to save us from the errors of abstraction. But his instances of the abstract thinker are Rousseau and Bentham, and his instances of the concrete thinker an old woman and the Prussian statesman Stein. It is certainly to be doubted whether it is easy for dwellers in the rarefied atmosphere of ideas to be true to "the kindred points of heaven and home;" is it not often made a charge against the philosopher either that he is "too ideal" or not "ideal enough"?

Professor Muirhead seems to think that the most recent formulæ of philosophy "represent the attempt to rise above the half-truths of current reflection, to embrace more of reality, and so by setting man's life in a truer perspective to give it greater significance;" but is it not also true that they tend to induce a certain philosophical quietism and optimism? It may even be doubted whether the half-truths of Bentham and Rousseau have not been more fruitful both in "stimulus" and in "works" than the "altogetherness" of Hegel or Goethe. Does Professor Muirhead mean to connect the achievements of British administration in Egypt with the demand for ethical societies? The truth is that, in the effort to show that philosophy is nothing if not practical, Professor Muirhead seems to make philosophy mean something so general as to signify nothing in particular. "Conception," says Walter Pater, "fundamental brain-work, that is what makes all the difference in art;" and Professor Muirhead adds, "in the art of life." But what is the connexion between "fundamental brain-work" and the popularization of ethical philosophy? And can philosophy be popularized? Is not popular philosophy a contradiction in *adjectivo*? It is true that there is no intellectual method or result which has not some practical bearing, but to pursue philosophy with a view

to its practical bearings is to pursue something else than philosophy. The primary business of philosophy is to understand, not to alter facts. A philosophy which can only tell us to be comprehensive is neither light-bearing nor fruit-bearing ; while it certainly suggests the abandonment of the claims of philosophy to be "the science of sciences" or to be a science itself at all. There may be a field of useful work for ethical societies, but if their method is "to assist practice by popularizing, through public lectures and printed papers, the best results of systematic ethics," the prospect is not very assuring. At any rate, it cannot be said that Professor Muirhead has succeeded in showing that the abstract study of ethics does more than give the student of practical problems a certain outlook or perspective ; but philosophy is not the only method of stimulating or directing the imagination, nor necessarily the best. All knowledge has in a sense a practical end, but this is no excuse for confusing spheres or for subordinating theoretical to practical ends.

The function of a moral philosopher, again, is different from that of a moralist ; and the fact that moral ideas are "the soul and essence" of Stevenson's romances is not sufficient to give him a place among moral philosophers. If philosophy means anything, it is surely something much more esoteric—much more of a "mystery"—than Professor Muirhead seems to suggest, nor can its "results" have any meaning or value apart from the processes by which they have been reached ; they cannot, therefore, in any fruitful sense be "brought within the reach of busy people, so that he who runs may read." To offer "busy" people ready-made solutions of difficulties they have never been made to feel is to do the work of a sophist rather than a philosopher ; and we must confess that Professor Muirhead's defence of "the work of ethical societies" is more likely to deepen than to remove mistrust of their methods and operation. "Distrust the methods that are popular, the results that are not popular," is, we venture to think, a sounder rule for the philosopher than that suggested by the practice of ethical societies ; their results, at any rate, are only too often either very thin or very vague.

That a philosopher, as Professor Muirhead shows himself to be in the "logical" series of these essays, can also deal with practical problems in a practical way is shown from the lectures on "The Science of Poor-Law Relief" and "Modern Methods of Temperance Reform :" both are admirable examples of that broad and tolerant view of social problems which Professor Muirhead regards as the special product of "philosophy." But then, Professor Muirhead is not only a philosopher, but also something more than a philosopher ; and

it can hardly be said that his own success in dealing with problems of social reform proves that a busy man who is not philosophical, or a philosopher who has never seen a workhouse, can be either a fit student or a fit professor in a school of ethics and social philosophy. What is really wanted is that combination of genuine theory and genuine experience which characterizes the school of social reformers to which Professor Muirhead belongs ; and the real value of the thesis maintained in *Philosophy and Life* lies in its demonstration of the futility of the separation between theory and practice. The man of "mere" theory and the man of "mere" experience are (so far as this is logically possible) equally dangerous in practice ; and it is perhaps natural that Professor Muirhead should have emphasized the danger of mere experience. It is the old story of the universal and the particular ; the need of their adjustment is nowhere more widely or more deeply felt than in the field of social reform.

SIDNEY BALL.

LA PHILOSOPHIE POSITIVISTE. By MAURICE DEFOURNY, Ph.D. [370 pp. 8vo. 6 francs. Alcan. Paris, 1902.]

In his interpretation of Comte's system of philosophy, M. Defourny is at no pains to conceal the fact that his views have been influenced largely by opposition. In *La Philosophie Positiviste*, the greater part of which consists of an excellent summary of Comte's work, his chief interest lies in combating the theory, for which he holds Littré to be chiefly responsible, that the later development of Comte's theories is inconsistent with his earlier work, because in the *Politique Positive* he departs from the method which he had laid down in the *Cours de Philosophie Positive* as the only legitimate method of sociology. With this view M. Defourny is by no means disposed to agree. Laying stress on the practical aim of the *Politique*, he maintains that it contains nothing more than the logical development of an idea which, as he shows by quotations from the earlier works, was in Comte's mind at an early stage of his career. Further, he maintains that the idea which lies at the root of the apparent inconsistency, the doctrine of the religion of Humanity, which has been seized upon by Comte's critics, is an attempt to attain unity in the objective world in the same manner as Comte had already attained unity on the subjective side by the subordination of every branch of science to sociology. The fact which has ever to be kept in mind is that, for Comte, religion, whether in the theological or the positive stage, is above all a social influence, making for unity. But this is at best nothing more than a unity of form ; and M. Defourny, in considering the content of Comte's system, is

compelled in some respects to abandon his position. He has to admit, while defending the consistency of Comte's doctrines as an organic whole, that in certain of the minor details an external influence is to be seen at work on his mind.

As regards the practical aim of Comte's work, M. Defourny's criticism may be summed up in his own words : " Elle (la Sociologie) publierait des bulletins de santé mais ne proscrierait point de remèdes." Positivism, denying the existence of an absolute ideal, is left without the means of gauging progress, or of pointing out the direction in which progress lies. As far as Comte himself is concerned, this defect is due partly to his identification of evolution and progress, and partly to his conception of evolution as a fatal process in which human volition plays only a comparatively insignificant part in influencing the course of events. From this it follows that, in the interests of Comte's consistency, M. Defourny is constrained to regard Comte's Utopian state, not as an ideal to be attained by human effort, but as a state towards which, as shown by the history of the past, the course of evolution is inevitably tending ; a construction, be it said, which Comte's actual words would hardly be found to warrant in all cases. M. Defourny's detailed criticism of Comte is on the whole just ; Comte's shortcomings are due, in the main, to defective knowledge ; but, while the author recognizes the importance of Comte's distinction between the static and dynamic elements in the evolutionary process, it can hardly be said that in his criticism he has done justice to the importance of Comte's conception of sociology as an inductive science. In estimating the value of Comte's contribution to science, it is his conception of the evolutionary process as a whole upon which stress should be laid, rather than, as M. Defourny tends to do, upon the defects in the details of his system which, resting on insufficient and often incorrect data, are particularly open to criticism.

E. FALLAIZE.

STUDIES IN HISTORY AND JURISPRUDENCE. By JAMES BRYCE, D.C.L., formerly Regius Professor of Civil Law in the University of Oxford, etc. [2 vols. 1096 pp. 8vo. 25s. net. Clarendon Press. Oxford, 1901.]

"These volumes," in the words of the preface, "contain a collection of studies composed at different times over a long series of years. They treat of diverse topics ; yet through many of them there runs a common thread—that of a comparison between the history and law of Rome and the history and law of England." Rome and England are compared in respect of their imperial administration, their legal

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systems, their methods of legislation, their marriage laws. And there are added a number of other essays or lectures bearing upon the debatable land which lies between law and politics, history and philosophy. In dealing with such subjects few writers, indeed, possess such qualifications as Professor Bryce. He is one of the few English lawyers who is also a jurist, and has professed Roman law in a university. He is a historian whose special province has been to study the links of connexion between ancient Roman institutions and modern Europe. He is a statesman who has been behind the scenes at the Foreign Office, a great traveller, and an expert in all that concerns the study and the making of constitutions. And his mind is exactly of the kind which enables him to make the most of this almost unique combination of studies and experiences. He has a splendid power of wide historical generalization, and he knows how to extract from the mass of detailed and technical knowledge at his command exactly what will be generally interesting. The visiting professor is no doubt an anomaly, from which our English universities have been, or at all events ought to be, relieved. But the production of such a book as the *parergon* of a busy life goes far to supply a relative and temporary justification of such a professorship as Mr. Bryce long held at Oxford. It will hardly rank with the two classical productions of Mr. Bryce's pen, the *Holy Roman Empire* and the *American Commonwealth*, but it is quite worthy of their author. The union of extreme "actuality" (the constitutions of the Boer Republics, for instance, and the new Australian Commonwealth are here subjected to elaborate examination from the jurist's point of view) with scientific thoroughness and wide learning give to these volumes an interest which is often lacking in the lucubrations of many academic political philosophers. They will lend themselves, almost too readily, to the purposes of the student (in "Greats" or Modern History) in quest of matter for essays in political philosophy.

Mr. Bryce is not only a very brilliant, but a very persuasive writer. So moderate and judicial and well-balanced are his judgments, that there is rarely room for much difference of opinion. One of the few points in which it is possible to take up a position in definite opposition to his views is to be found in his treatment of the Austinian theory of sovereignty. Like many other critics, Mr. Bryce's, if it is not presumptuous to say so, seems to me to be based on a misunderstanding as to what Austin was aiming at. "Though he defines a sovereign as 'the determinate superior, who receives habitual obedience from the bulk of a given society'—a definition which belongs to the *de facto* sphere, and suits a *de facto* sovereign, but does not touch the *de jure*

sovereign, who may have no means of enforcing obedience—still it is plain that his eye is chiefly fixed on law and legal right, and that he assumes that to the person who enjoys legal right obedience will in fact be rendered. A Greek tyrant, such as Agathocles at Syracuse, received habitual obedience from the bulk of the Syracusans; but he was clearly not sovereign *de jure*." The great merit of the Austinian theory is precisely that it puts altogether out of sight all such distinctions between moral and legal right. These are considerations with which the jurist, as such, has nothing to do. Austin's real object was to analyze the presuppositions of legal science." Jurisprudence assumes that it is possible to say what is the law in a given place. We want therefore a definition of law, and such a definition must necessarily make abstraction of all questions concerning moral right or wrong. Whether Napoleon III. was a *de jure* sovereign or not, whether it would have been morally right to rebel against him or not, was a question upon which different opinions may be held, and were held at the time by lawyers as well as other people, but no one doubts that by French law under the second Empire was meant the commands of Napoleon III., and the various legislatures which nominally shared his power. An alteration in the code so sanctioned was held to be a legal alteration. Analyze that statement, and what does it ultimately turn to? Simply the fact that there was in the French people a habit of obedience—to some extent, with occasional exceptions of course, with many reserves, but sufficiently for all purposes with which the law and lawyers are concerned—to the commands of Napoleon III. and his legislatures. While the Empire lasted no English court, called upon to decide what French law was upon any point, would have had any hesitation in recognizing that these commands were the law of France; in 1875 they would have recognized him no more, not on any theory as to who ought then to be ruling in France, but because the French people had ceased to obey him any longer. The theory is, no doubt, unhistorical as applied to primitive communities, and Mr. Bryce has, no doubt, pointed to many inconsistencies and confusions in Austin's application of his own theory, but he has not, to my mind, shown that Austin has not correctly analyzed the intellectual process which a judge of one country goes through when called upon to decide what is the state of the law in another country. He looks about for some authority which is actually recognized as having made rules which the people will (so far as they obey any rules at all) obey, and then he asks what rules this authority has actually made. When an English judge was called on, in a recent case, to decide what was the law of the Congo State, he proceeded to ask what authority

the people in that State obeyed. He took the actually accepted constitution as evidence that the King of the Belgians was sovereign in the Congo State, and he then asked what rules the King of the Belgians had laid down about the making of wills. The fact that some of the sovereign's rules in some States are more generally defied than obeyed is a fact which for legal purposes may conveniently be ignored ; nobody doubted that smuggling was illegal in the eighteenth century, though half the justices of the peace in a seaboard county might keep smuggled liquor in their cellars. But if a government ceases to have *any* power to enforce its commands and is consequently *never* obeyed, the most legitimist of lawyers, speaking as a practical lawyer, will cease to regard its commands as law. Mr. Bryce is no doubt justified in pointing out that it is sometimes scarcely possible to deny that sovereignty is actually divided, but a theory is often not the less valuable because it is of a highly abstract character. It is a useful and convenient process for certain purposes to trace the results of unlimited commercial competition, provided we do not forget that in point of fact there is no such thing as absolutely unlimited commercial competition. It is no objection to the doctrine of sovereignty that it makes assumptions which can at times be applied to the actual conditions only by the ignoring of many facts, or by fictitious assumptions, which might be well called arbitrary if they were not conducive to the end in view, *i.e.* the study of legal facts in entire isolation from their moral and many other aspects. Mr. Bryce has failed to supply us with a definition of "law" which will better serve the purpose in hand.

The Oxford reader will notice with peculiar interest the eloquent and earnest inaugural and valedictory lectures with which the volumes conclude. While noting the progress of the Law School, the retiring professor regrets that it has not attracted to itself much of the best ability of the place. He desiderates earlier residence at the university, and the institution of post-graduate courses, which he believes would attract many American and other students who at present are driven to Continental universities in search of what Oxford fails to supply. While heartily sympathizing with the last aspiration, I would venture, with all respect, to suggest that it is not so much the last year at school as the first year at Oxford that is wasted by the average honour-man. Allow men to enter for either honour or pass moderations earlier, and more men could afford time for a second school, and, I may add, we should hear less of Civil Service candidates missing their final schools to acquire a hasty smattering of more remunerative subjects at a crammer's in London. The Civil Service Commissioners are at the

present moment the most formidable obstacle in the way of higher education in this country.

In conclusion, I can only heartily recommend the study of Mr. Bryce's most valuable contribution to political philosophy.

H. RASHDALL.

THE THEORY OF PROSPERITY. By SIMON N. PATTEN, Ph.D., Professor of Political Economy, Wharton School of Finance and Economy, University of Pennsylvania. [ix., 237 pp. Crown 8vo. Macmillan. New York, 1902.]

Professor Patten's *Theory of Prosperity* is, like all his economic speculation, original and ingenious; but the reasoning is of such an abstract and general character as to make it difficult to check either its method or results. As far as one can see, the results are more conventional than the method.

The method, although it avails itself of points of view familiar to students of modern economics and sociology, is in many respects unfamiliar and independent. Professor Patten starts with the position that the economic and the social problem, so far from being coincident, are sharply contrasted, and should be kept distinct. The economic problem is the problem of poverty, or a lack of resources due to definite economic causes; the social problem is the problem of misery, which is not associated with production, but is a failure of adjustment due to a want of harmony between effort and result; the one is a problem pertaining to existing conditions, the other a problem pertaining to heredity. "The present environment acts on men through its economic forces; past environments through heredity and its accompanying habits, customs, and impulses." This distinction leads to a distinction between two aspects of income—income as determined by existing conditions, and income as determined by heredity. The conventional classification of income into distinct shares—rent, interest, profits, and wages—is made from the latter point of view. "If society is viewed as the outgrowth of heredity, men fall into certain groups, each having its income determined by the position and qualities it has inherited. . . . But if notions of heredity are discarded, the shares are not isolated, but go in a larger or smaller proportion to every member of the community." This overlapping of funds can only be obviated by a new classification. Instead of being distinct funds these shares are the bases of three "view points" from which income may be examined. Thus wages gives the simple relations of work and pay; rent, those of monopoly advantages; and interest, those of investments. The income due to existing conditions is

accordingly considered under these three heads, while part ii. considers income as determined by heredity; firstly, as fixed by struggle; secondly, as increased by adjustment; lastly, as modified by economic rights.

For Professor Patten's elaboration of these topics I must refer the reader to the book itself. There is a good deal in his argument which seems both ingenious and true, also much that seems more ingenious than true; but the argument generally is developed in an interesting and suggestive, sometimes in quite an illuminating, way. The author's use of the law of substitution is very thorough; his distinction between desire and impulse is fruitful in interesting applications; and his treatment of social problems, if severely theoretical, is always sympathetic. Express reference to other thinkers is very occasional, and the temper of the book is curiously detached and impersonal. There is, on the other hand, abundance of diagrammatic illustration. The general reader will feel most at home in Professor Patten's discussion of economic rights, and he will also find many points of interest in the author's theory of "exploitation."

SIDNEY BALL.

SAVINGS AND SAVINGS INSTITUTIONS. By JAMES HENRY S. HAMILTON, Ph.D., Professor of Sociology in Syracuse University. [436 pp. Crown 8vo. \$2.25 net. Macmillan. New York, 1902.]

A good, trustworthy book on savings institutions, and, so to call it, on the philosophy of saving, such as Professor Hamilton evidently had in his mind when he sat down to write this volume, would be a very valuable addition to economic literature at the present time, when an unforeseen gigantic accumulation of savings is seriously embarrassing their guardians, and impelling to new inquiry and legislation. However, such a book, giving "a judicial review of the different types of savings institutions with reference to their comparative qualifications for infusing the people with the savings energy," Mr. Hamilton has not written. And the reason evidently is that he has been in too great a hurry. His university teacher, Professor Conrad, as is his wont, coupled his adieu to his young pupil leaving the old-world "high school" with the recommendation of a particular subject for special study. The young student, soon to become professor in his own Western home, evidently took it up with warmth. His preface, and his first and second chapters, dealing with the general aspect of saving, show how much he is impressed with the value of thrift, which has never stood in greater need of championing than in the present day.

However, when we turn to the structure proper of his book, we find that its stones are not well hewn and fitted into their places. The volume concludes with an imposing "bibliography," rendered partially useless by a gross misspelling of names, which is in truth only a fair sample of the misprints occurring throughout the volume. But in that list the books and periodicals most deserving to be studied when the question is one of savings banks are wanting. The same *lacunæ* occur in the number of "types" passed in review, and classified in a most arbitrary way. For instance, the German provincial and district savings banks are by no means "municipal." As to gaps, although Professor Hamilton mentions that the Italian "postal" banks are only held in reserve, and do no more than a fourth part of the nation's savings business, he says nothing about the "free" savings banks which do, together with the co-operative banks, the remaining three-fourths, notwithstanding that they are most deserving of study. There is practically no reference to the excellent free savings banks of Switzerland, with their subsidiary institutions; to the savings banks which make of Denmark (barring Saxony) the most saving country in the world; and to our own free and uncontrolled thrift institutions such as the Yorkshire and the National Penny Banks. And much of what is said about the saving institutions mentioned—though the general outline is fairly correct—is inexact. Thus the French autonomous banks, which the author describes as "in a large sense Government institutions," have at any rate greater freedom than our trustee banks. They did not "until recent years" have to pay all their deposits into the Caisse des Dépôts et Consignations. They have to do so still. And what they are "allowed to retain" is not deposits, but only their own private fortune and part of their reserve fund—a mere nothing. Nor does the rate of interest stand permanently at $8\frac{1}{2}$ per cent. It may be altered every year. Except for the co-operative banks, with regard to which the author is hopelessly at sea, the institution which fares worst at his hands is the most deserving National Savings Bank of Belgium. That bank is not a Government institution, as Professor Hamilton will have it. It has not "vitalized the co-operative system" of Belgium, supporting co-operative banks which "have been weak in the matter of saving." The Director-General's standing complaint, supported by annual Reports, is that they are "strong" in the matter of saving, and very "weak" in the matter of lending, and that therefore the intended vitalizing process fails.

These are only some samples. Professor Hamilton has written with the very best intentions without having previously fully mastered his subject. It may be owned that it is a very troublesome subject to master,

and requires a great deal of study and a retentive memory. However, there is one thing which, as an American economist, Professor Hamilton might have done, and which must have been acceptable to European readers, while the housing question engrosses their minds. The methods of the United States savings banks are not as well known in Europe as they might be ; and about the most useful Building and Loan associations of Professor Hamilton's country, notwithstanding the admirable Ninth Report of the Labour Bureau, Europeans know very little indeed, when in truth they ought to know a great deal. Professor Hamilton gives us one brief chapter upon them. Those who manage and those who benefit by those associations are by no means coy in the matter of information. And a good popular book upon this subject would unquestionably be valuable. Maybe, after having dealt with the general aspect of the savings question, Professor Hamilton will turn his attention to this noteworthy specific feature.

HENRY W. WOLFF.

EDUCATION AND EMPIRE : Addresses on Certain Topics of the Day. By R. B. HALDANE, M.P. [xiv., 198 pp. 5s. net. Crown 8vo. Murray. London, 1902.]

The fascination of "thinking in Empires" is strikingly attested by the appearance of a philosophical discourse upon "Science and Religion" in the midst of a confession of political faith. If Mr. Haldane had not explained in his preface that this particular address is "in substance a plea for tolerance," and that "in view of the fact that the majority of our fellow-subjects in the empire are of different religions from our own, a wide outlook among those who rule is essential here as elsewhere," it would be difficult for a less imperially-minded reader to discover for himself the imperial aspect of philosophical idealism. The other addresses contained in this volume are a more direct contribution to Imperialism, and certainly present that ambiguous creed in a suggestive as well as an unexceptionable form.

Mr. Haldane takes us back in his two educational addresses to Matthew Arnold's memorable, though unremembered, plea for middle-class education, and shows how it has gathered fresh force from the fact that "our middle classes find their position threatened by a new commercial combination." It would be well to quote at length Mr. Haldane's statement of the thesis to which his first address (on "Great Britain and Germany—a Study in Education") is directed, as it points the moral of the rest.

"To-day, at the beginning of the twentieth century, we, as a nation, have to face the problem of preserving our great commercial position,

and with it the great empire which the great men of past generations have won and handed down to us. . . . Around is surging up a flood of new competition. If we are to hold the ground which our predecessors won before the days of that competition, we shall require above all things enlightened views, and not least enlightened views about our commerce, and enlightened views about the common constitution which unites us with our colonies and dependencies."

It is with the former of these necessities that the two addresses on education deal, the first address being devoted to the plea "that not only elementary education in this country, but our secondary and tertiary systems must be thoroughly overhauled and co-ordinated, if we are to be brought near to the existing level of Germany, and that to which the United States are rapidly approaching. More than this, to the linkage of the various portions of the education system must be added, in secondary and tertiary education at all events, the recognition of the double function of our educational institutions, the imparting of culture for culture's sake on the one hand, and the application of science to the training of our captains of industry on the other. This means an increase of our educational provision of a tertiary type."

Mr. Haldane recognizes that efforts are being made in this direction, but the advance that this country has made is not comparable to the advance that is being made abroad. He also recognizes that we should study foreign systems as much with a view to avoiding their defects as to imitating their excellencies. The chief feature of the first address is Mr. Haldane's account of the success with which the German nation has realized "the double aim of the German university system—pure culture on the one hand, and on the other the application of the highest knowledge to commercial enterprise."

The second address (on "Universities and the Schools in Scotland") urges the need of more enlightened views on the part of teachers themselves, and this is taken to mean a better training and an improved status. In this connexion, Mr. Haldane pleads for a closer association between the universities and teaching institutions. The remaining addresses represent an attempt to indicate the lines upon which the objects of Imperial Federation (so-called) can be best secured, particular stress being laid upon the importance of constituting a new "link" for the empire in the shape of a real Imperial Court of Appeal.

Throughout all Mr. Haldane's reflexions upon our national shortcomings there runs a note of robust and buoyant optimism. "Educate your people, and you have reduced to comparatively insignificant dimensions the problems of temperance, of housing, and of raising the

condition of your masses. These things solve themselves if you only get the right spirit into your people"—a passage which seems like an echo from Plato. But surely Mr. Haldane is unduly sanguine in suggesting that, when the "dominating influence in education" is given to the university, "denominational controversies will be of small importance, and may be left to the diminishing body of the politicians of a past generation."

It goes without saying that these addresses are full of instruction as well as of matter for reflexion, and it is to be hoped that they may be both widely read and deeply pondered. They certainly suggest a more excellent way of Imperialism than more familiar but less judicial proposals.

SIDNEY BALL.

THE EASTERN QUESTION: A Study in Diplomacy. By S. P. H. DUGGAN, Ph.D. [152 pp. 8vo. \$1.50. Columbia University Press. New York, 1902.]

THE PAST AND PRESENT OF JAPANESE COMMERCE. By YETARO KINOSITA, Ph.D. [164 pp. 8vo. \$1.50. Columbia University Press. New York, 1902.]

Both the above volumes are contributions to the studies in history, economics, and public law which have been edited and brought out by the faculty of political science in Columbia University during the past ten years. In that of Mr. Duggan we have a useful compendium of the racial and diplomatic factors which have gradually built up in the course of centuries the present situation in the near East. He modestly admits that he has frequently adopted the opinions of the authors on whose works his own is based, as well as their facts. He does not, however, follow the current view that the Crimean War was nothing but a huge blunder, for it did, at all events, prevent the absorption of the Turkey of 1850, including the now practically independent states of Roumania, Servia, and Bulgaria, by Russia. From the maritime provisions of the Treaty of Paris which have become international law he excepts, it is difficult to perceive on what ground, the first one, abolishing privateering. For the rest, he abstains from comment or prognostication, permitting himself only to point out that, under the present apparent protectorate of his most formidable enemy, Russia, the sick man enjoys the prospect of a new lease of life.

Japan, as a country of brilliant possibilities, and one friendly to England, has a destiny which Englishmen will watch with sympathetic interest as it unfolds, and the direction taken by Japanese opinion as

to the national future clearly merits our closest attention. Mr. Kinosita observes with truth that, as she is now in friendly rivalry with the rest of the world, the history of what Japan has been, is, and hopes to become is matter of general interest. He believes that the ingenuity of her people, backed by her possession of copious supplies of coal as well as by her geographical position, fit her to become both a great industrial and a great carrying nation. He shares the prevalent Japanese sentiment that his nation is peculiarly qualified by affinities of language and religion, and by commercial and literary intercourse dating from the remotest past, to be the guide of China along the path of progress. He shows that within the last ten years trade with Europe has ceased to hold the first place. Trade with America, though not yet so great in value, has increased more rapidly. The increase in the Asiatic trade, particularly with China, Hongkong, and British India, almost equals that effected in the European and American trade combined. With regard to the Asiatic countries, he reminds us with some truth that, "Japan has the advantage of geographical proximity, similarity of race and customs, an increasingly dense population, and an abundant coal supply." As to the coal, by the way, Admiral Ijuin only the other day boldly claimed for it before a Cardiff audience that it was nearly as good as Welsh, though he made the significant admission that much more of it was required to obtain the same results. Mr. Kinosita further asserts that the Japanese, being themselves an Oriental race, are much more likely to "read and comprehend the economic mind of other Orientals," and thus to stimulate and anticipate their wants, than are Occidentals. But does the average Hindoo really feel himself so very much more akin to the versatile little Japs than to the stolid English?

C. H. D'E. LEPPINGTON.

CRIME IN ITS RELATIONS TO SOCIAL PROGRESS. By
A. CLEVELAND HALL, Ph.D. [427 pp. 8vo. \$3.00. Columbia
University Press. New York, 1902.]

Dr. Hall defines crime as "any act, or omission to act, punished by society as a wrong against itself;" it is thus distinguishable from a tort, which is "essentially a private injury," and from sin, which "is an offence against God frequently punished as a crime by men," but which "is never a crime unless society makes it such." The bulk of the book is devoted to show how acts which were originally regarded as private injuries, to be punished by the individual alone, came to be regarded as also injurious to public interests, and so deserving punishment at the hands of society.

The history of this process in England, as related by Dr. Hall, is full of interest. Beginning among the Saxons, it had a signal development after the accession of Henry II., when, as Dr. Stubbs wrote, "the reign of law may be considered to have begun in England." Under the Tudors, again, many acts against the person of the king and the majesty of the law were made criminal, and the law was very severely enforced, benefit of clergy being largely curtailed. The Stuarts added little to the criminal law; but in the eighteenth century "no less than 187 capital offences were added to the criminal code between the Restoration and the death of George III."—many of these being for very trifling acts of theft. This severity seems to have decreased the amount of serious crime, but to have been ineffective against petty offences, owing to the unwillingness of the public to prosecute, and of juries to convict. The spirit of the age was becoming more humane, and public opinion succeeded in getting most of these savage statutes repealed in the first forty years of the nineteenth century.

In chs. xii. and xiii. Dr. Hall shows by elaborate statistics that there has been a great increase of crime in the chief countries of Europe during the latter half of the nineteenth century, while, at the same time, ancient forms of serious crime have decreased. "Crime," says Dr. Hall, "is taking a less impulsive, a more crafty form." The complexity of modern life affords more opportunities for anti-social conduct. New laws with reference to commercial frauds, sanitation, education, hours of labour, cruelty to animals and children, and so forth, have vastly extended the field of possible crime. And when it is remembered that detection is much more certain, it is easy to account for a larger volume of crime without taking refuge in pessimistic views about the moral progress of mankind. In fact, Dr. Hall makes bold to say that "the great nations of the earth have nothing to fear from their rapidly increasing totals of criminality. They but evidence the rise to higher and higher planes of social morality and intelligence, and reveal the care with which upward progress is being fostered and safeguarded by the creation and enforcement of new and wise criminal laws." It is for this reason, then, that "the most civilized and progressive nations have the most criminals," though, in the long run, Dr. Hall expects that criminal acts will tend to become fewer.

Dr. Hall has produced a most suggestive book. But it may be questioned whether it was proper to the subject to omit all reference to the moral influences which both lead society to extend the area of criminal law, and also inculcate the habit of obedience upon

individuals. Thus Dr. Hall fails to mention the influence of the Church in securing the custom of *wergild* in Anglo-Saxon times, and he is also silent about the efforts of such men as the Marquis of Beccaria and Sir Samuel Romilly against the sanguinary laws of the eighteenth century. It was Christianity, and not mere utilitarianism, which taught our ancestors to make torts into crimes, and at the same time endeavoured to train each individual to become a law-abiding citizen. And so in the future it will be the most Christian State which will have the most effective code of criminal laws, and also the fewest criminals.

W. G. CRUFT.

SHORT NOTICES.

HUMAN EVOLUTION: An Inductive Study of Man. By G. ROME HALL, M.D. [xii., 300 pp. 8vo. 7s. 6d. Sonnenschein, London, 1902.]

“Certain terms, as ‘gang,’ ‘hireling,’ etc., have not been used in this book as mere abuse; such is the force of established custom in thought and usage of words that a shock has to be conveyed to the capable unthinking brain by some strong expression before it will question whether some new truth is before it or not” (p. 271, note). These terms, however, are mild in comparison with those likely to be used of the book and its author by certain prejudiced persons, say “those who do the dirty and often almost criminous work of the Stock Exchange, the House of Commons, of the Press, and of other branches of the great guild of skilled liars” (p. 266), not to speak of that “automorph . . . who believes himself to be educated because he reads somewhat . . . the university man” (p. 3). Such persons would doubtless seek to convey to the author’s brain, in language of an even more shocking description, their conviction that the law regulating trade-descriptions should be made to apply to the titles of books, so that the man who puts down his money in the hope of obtaining an “inductive study of man” should not be disappointed. They would insist that, despite Dr. Hall’s list of English authorities “upon archaeology and primitive man,” to wit, “Sir Charles Lyell, Sir John Lubbock, Mr. John Evans, Dr. Thurnam, and Mr. Franks,” and despite his citation of illustrious witnesses, such as “Paul,” “Michael Foster,” and “Mr. Henry George,” there is not a trace of induction, or of any kind of logical method, in the whole of this welter of pseudo-scientific and

pseudo-historical verbiage. For all that the writer is evidently a sincere Christian (though a sworn foe to "the be-in-subjection idea of churchianity"), and an ardent Socialist, disgusted with the "actualities of possessionalism," and feeling keenly "the intensity of *la misère* in our land," he fails, they would affirm, to sway their judgments, because, instead of reasoning, he rants. However, what matters it what these "hirelings of the present vested interest or class state régime" say in their scorn? By 2000 A.D. it will be all over with them. "Unseen forces" are at present "acting on definite lines of evolution." "The climax in such a case is as definite as it is sudden and stable" (p. 271). A century hence, then, this book may be a classic.

IRELAND, INDUSTRIAL AND AGRICULTURAL. Edited by

WILLIAM P. COYNE, Superintendent of the Statistics and Intelligence Branch of the Department of Agriculture and Technical Instruction for Ireland. [532 pp. 4to. 5s. net. Browne & Nolan. Dublin, 1902.]

This sumptuous volume—an Irish production throughout, with its clear type, excellent paper, and numerous illustrations—is at once a most striking testimony to the economic resources of Ireland, and a really encouraging pledge of much greater prosperity for that country in the future, in spite of all her many misfortunes in the past. It was originally prepared by the Department of Agriculture and Technical Instruction for Ireland, in connexion with the Glasgow Exhibition in 1901; but the present edition has been thoroughly revised, and includes a great mass of additional information.

The book covers a wide field of inquiry. In the course of some fifty separate articles, all the more important questions which vitally affect the industrial welfare of Ireland are passed under review; and the editor and his staff of contributors are highly to be congratulated on the result of their enterprise. In fact, the volume is quite indispensable for any one who wishes to have accurate and trustworthy information—to mention only a few typical examples—in regard to such subjects as the geology and climate of Ireland; the distribution of population; banking facilities; agricultural and technical education; co-operative societies; the work of the Congested Districts Board, or of the Department of Agriculture and Technical Instruction; and special industries, such as horse-breeding, fisheries, shipbuilding, lace and linen, or brewing.

The Department of Agriculture and Technical Instruction for Ireland was only created by Parliament in 1899; and, it will be remembered, was the outcome of the voluntary zeal and practical

